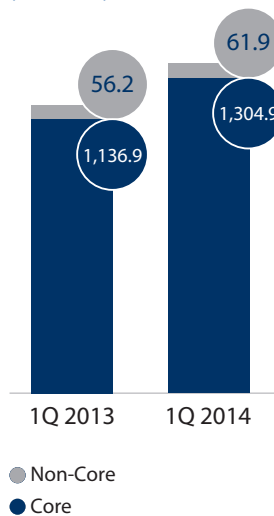


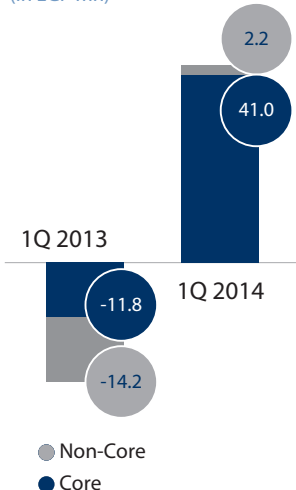
# Qalaa Holdings Reports 1Q14 Results

*Qalaa Holdings issues its first post-transformation, fully consolidated financial statements*

## REVENUE PROGRESSION (in EGP mn)



## EBITDA PROGRESSION (in EGP mn)



## Highlights of 1Q 2014

- Qalaa Holdings (CCAP.CA on the Egyptian exchange; formerly Citadel Capital) released today its first post transformation, fully consolidated financial results for the quarter ending 31 March 2014, reporting revenues of EGP 1,366.9 million, up 14% from pro-forma revenues of EGP 1,203.6 million in 1Q13. Notably, gross profit stood at EGP 238.1 million in 1Q14 (up 46% from a pro-forma EGP 162.7 million in the same period last year), while EBITDA was a positive EGP 29.0 million against a pro-forma figure of negative EGP 125.9 million in the same quarter last year. Net losses after tax in 1Q14 stood at EGP 231.9 million, on par with the same quarter of 2013.
- In April 2014, Qalaa Holdings successfully closed a rights issue to bring its total paid-in capital to EGP 8 billion. Full subscription to the EGP 3.64 billion capital increase allowed Qalaa Holdings to take majority stakes in most of its subsidiaries in core industries including energy, cement, agrifoods, and transportation & logistics. Accordingly, Qalaa Holdings' consolidated financial statements are now prepared using a full consolidation method instead of the equity method used in previous years.
- Unless otherwise noted, all figures relating to consolidated financial performance in 1Q13 have thus been re-stated in this document to reflect the impact of asset purchases made by 31 March 2014 under the firm's transformation program. Re-stated figures are marked "Pro Forma" in tables, while statutory figures reported in 1Q13 are marked "Actual." Actual figures are net of eliminations of inter-company transactions within Qalaa Holdings group.
- As part of Qalaa Holdings' program to shed non-core assets, the company exited in April 2014 its full majority stake in a leading Sudan-based bank (Sudanese Egyptian Bank) in a US\$ 22 million sale to the Islamic Solidarity Bank of Sudan; Qalaa Holdings remains an investor in Sudan. In addition, the company expects to complete its divestiture of Sphinx Glass, a leading Egyptian producer of float glass and portfolio company of non-core platform GlassWorks, by the end of August 2014. Qalaa Holdings and Saudi Arabia's Construction Products Holding Co. (CPC) signed in June 2014 a sale and purchase agreement for the transaction, execution of which is scheduled for completion by the end of August 2014 upon satisfaction of all conditions precedents and the final transfer of shares.
- Highlights of Qalaa Holdings' 1Q14 results follow, along with management's analysis of the company's performance and detailed overviews of performance of operational companies in each of the Qalaa's five core industries. Complete financials are available for download on [ir.qalaaholdings.com](http://ir.qalaaholdings.com)

## Consolidated Financial Performance

### Fully Consolidated Companies

	Company	Platform / Sector
Core	TAQA	Energy
	ERC	
	Mashreq	
	ASEC Holding	Cement
	Nile Logistics	Transportation & Logistics
	Africa Railways	
	Gozour	Agrifoods
	Wafra	
LT Non-Core	Tanmeyah*	Finance Unlimited / Financial Services
Non-Core	Bonyan	Specialized Real Estate
	United Foundries	Metallurgy

### Equity Method Consolidated Companies (Share of Associates)

	Company	Platform / Sector
Core	Tawazon	Energy
	ASCOM	Mining
Non-Core	GlassWorks	Glass Manufacturing
	Grandview	Mid-cap Buyouts
	Pharos	Finance Unlimited / Financial Services
	Tanweer	Media & Retail

*The tables above show which Qalaa Holdings companies are fully consolidated vs. those that follow the equity method*

- As noted on page 1, the closure of the company's capital increase to EGP 8 billion has allowed Qalaa Holdings to complete asset purchases that have changed substantially the composition of the firm's financial statements by permitting full consolidation on the income statement and balance sheet for a number of companies for the first time in the company's existence. Among those companies now fully consolidated are:
  - In Energy: TAQA Arabia, Egyptian Refining Company (ERC, pre-operational) and Mashreq (pre-operational);
  - In Cement: ASEC Holding;
  - In Agrifoods: Gozour and Wafra;
  - In Transportation & Logistics: Nile Logistics and Africa Railways (Transportation & Logistics);
  - Non-core platform companies including United Foundries (Metallurgy), Bonyan (Specialized Real Estate), Tanmeyah (a microfinance company under Finance Unlimited) and Sudanese Egyptian Bank (divested subsequent to 1Q14 on 27 April 2014 and thus fully consolidated this quarter).
- Core platforms Tawazon (Energy) and ASCOM (Mining) as well as non-core platforms GlassWorks, Grandview, Pharos and Tanweer continue to be treated using the equity method (Share of Associates) on the basis that Qalaa Holdings does not have management control over them.

\* Tanmeyah is a Long-Term Non-Core Platform company that, while not falling under the core industry umbrella, is not subject to any divestment plans in the near future. Tanmeyah is a subsidiary of Finance Unlimited.

- Qalaa Holdings' 1Q14 results show an improvement of key financial parameters. On a consolidated basis, revenues increased to EGP 1,337 million from EGP 1,204 million (representing 14% growth y-o-y), operating profit rose to EGP 262.5 million from EGP 186.2 million (an increase of 41% y-o-y) and EBITDA converted to a profit of EGP 29.0 million from a loss of EGP 125.9 million.
- Net losses for 1Q14 dipped 7% y-o-y to reach EGP 231.9 million due to increased charges related to discontinued operations at portfolio companies including ESACO (ASEC Holding), El-Aguizy, Elmisricen, Enjoy, Mom's Foods (all four at Gozour) and certain non-core companies. These charges could be recovered (in full or in part) upon the exit of the companies in question.
- Qalaa Holdings' consolidated financial results include the contribution of Citadel Capital SAE as a standalone entity\*. On a standalone level, revenues of EGP 21.2 million (representing a 5.0% uptick y-on-y) were entirely composed of recurring advisory income. The standalone entity also reported a 21.8% decline in total OPEX to EGP 28.0 million on the back of a slight dip in recurring OPEX and a sharp drop in non-recurring expenditures, which in 1Q13 had related primarily to the transformation program. Citadel Capital SAE contributed net losses after taxes of EGP 8.5 million entirely on the back of interest expenses, which came in at EGP 1.2 million in the quarter just ended against interest income of EGP 21.7 million in the same quarter last year.

\* At the present time, the firm's registered legal name as noted in its Egyptian Commercial Registration and other legal documentation remains temporarily unchanged: (القلعة للاستشارات المالية ش.م.م) (Citadel Capital S.A.E.).

## Qalaa Holdings Consolidated Income Statement (in EGP mn)

	Core										Long-Term Non-Core	Non-Core	Actual			Pro Forma
	Energy		Cement	Agrifoods		Transportation & Logistics					Q1 2014	Q1 2013	Q1 2013			
	TAQA	ERC	Mashreq Holding	ASEC	Gozour	Wafra	Nile Logistics	Africa Railways	Tanmeyah***	Misc^	Elimination					
Revenue	-	-	334.9	-	594.9	231.9	1.5	12.4	129.4	20.9	41.0	-	1,366.9	5.1	1,203.6	
Cost of Sales	-	-	(267.4)	-	(494.7)	(170.4)	(2.4)	(16.9)	(146.6)	-	(30.3)	-	(1,128.8)	(3.1)	(1,040.9)	
Gross Profit	-	-	67.5	-	100.2	61.5	(1.0)	(4.5)	(17.3)	20.9	10.7	-	238.1	2.0	162.7	
Advisory fee	21.2	2.7	-	-	-	-	-	-	-	-	-	(19.6)	4.4	14.9	3.8	
Share of Associates' Results^v	-	-	-	-	16.6	-	0.7	-	-	-	-	2.8	20.1	(11.5)	19.7	
Total Operating Profit	21.2	2.7	67.5	-	116.7	61.5	(1.0)	(3.8)	(17.3)	20.9	10.7	(16.7)	262.5	5.4	186.2	
SG&A	(23.1)	(15.1)	(31.1)	(5.6)	(3.6)	(60.0)	(43.6)	(2.2)	(6.5)	(14.5)	(13.2)	(18.3)	17.9	(53.0)	(239.1)	
Other Income / Expenses (Net)	-	(28.3)	(11.2)	-	(10.7)	10.1	0.1	0.7	40.0	0.6	0.1	13.8	15.0	(83.3)	(73.1)	
EBITDA Before Non-Recurring Charges	(1.9)	(40.6)	25.2	(5.6)	(3.6)	46.0	28.0	(3.1)	(9.5)	8.3	(7.6)	15.0	58.6	(130.9)	(125.9)	
SG&A (Non-Recurring/One-Off Charges)	(4.9)	(24.7)	-	-	-	-	-	-	-	-	-	-	(29.6)	-	-	
EBITDA	(6.8)	(65.3)	25.2	(5.6)	(3.6)	46.0	28.0	(3.1)	(9.5)	8.3	(7.6)	15.0	29.0	(130.9)	(125.9)	
Depreciation & Amortization	(0.5)	-	(9.4)	(0.1)	-	(49.4)	(13.4)	(1.6)	(9.4)	(13.1)	(1.3)	-	(103.5)	(3.4)	(77.5)	
EBIT	(7.3)	(65.3)	15.8	(5.7)	(3.6)	(3.4)	14.6	(4.7)	(19.0)	(5.0)	7.0	(12.9)	(74.4)	(134.2)	(203.5)	
Net Interest	(1.3)	(2.7)	12.5	(2.7)	-	(115.9)	(18.6)	-	(11.7)	(22.3)	0.2	(9.9)	(187.5)	(15.1)	(153.4)	
Forex	0.1	0.7	1.5	(0.3)	-	(3.3)	12.4	0.4	0.4	1.6	0.2	-	13.4	22.9	63.9	
Loss Before Taxes	(8.5)	(67.4)	29.8	(8.7)	(3.6)	(122.6)	8.4	(4.3)	(30.3)	(25.8)	7.2	(27.9)	(248.5)	(126.4)	(293.0)	
Taxes	-	-	(7.0)	(0.1)	-	0.6	(3.0)	-	-	-	0.4	-	(9.2)	0.0	(8.9)	
Discontinued operations	-	-	(0.4)	-	(5.7)	(27.4)	-	-	-	-	(63.8)	-	(97.2)	-	(50.0)	
Loss After Taxes	(8.5)	(67.4)	22.4	(8.8)	(3.6)	(127.7)	(22.0)	(4.3)	(30.3)	(25.8)	7.2	(91.3)	(355.0)	(126.4)	(351.9)	
Minority Interest	-	-	(4.4)	(3.0)	0.9	22.4	-	0.2	8.2	-	(0.5)	92.4	123.1	(2.1)	135.7	
Net (Loss) for the period	(8.5)	(67.4)	18.1	(5.8)	(2.7)	(105.4)	(22.0)	(4.2)	(22.1)	(25.8)	7.2	(90.8)	(231.9)	(124.3)	(216.2)	

\* CC includes the standalone results of Qalaa Holdings.

\*\* SPVs are transaction- and purpose-specific vehicles used for specific investments and transactions and are generally fully consolidated.

\*\*\* Tanmeyah is a Long-Term Non-Core Platform company that, while not falling under the core industry umbrella, is not subject to any divestment plans in the near future. Tanmeyah is a subsidiary of Finance Unlimited.

<sup>^</sup> Miscellaneous includes non-core companies namely United Foundries, Bonyan, Crondall (Owner of Sudanese Egyptian Bank SEB).

<sup>^v</sup> Share of Associates' Results includes the company's share in ASCOM Mining's loss of EGP 3.8 million.

## Qalaa Holdings Consolidated Balance Sheet (in EGP mn)

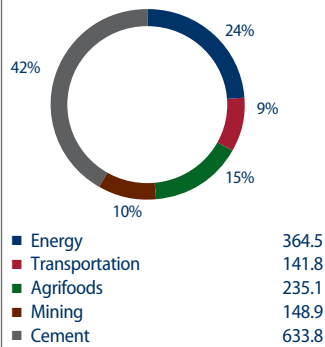
	Core						Non-Core			
	Energy	Cement	Agrifoods	Transportation & Logistics	Africa					
	CC /SPVs / Others*	TAQA	ERC	ASEC Holding	Gozour	Nile Logistics	Railways	Misc **	Q1 2014	FY 2013
Current Assets										
Trade and Other Receivables	1,056.2	443.0	83.4	741.0	162.3	69.3	383.0	103.9	3,042.0	2,267.5
Inventory	5.8	91.0	-	516.8	167.9	8.8	144.4	42.2	976.9	1,020.3
Assets Held For Sale	350.1	20.4	-	99.9	214.4	-	-	296.4	981.2	613.0
Cash and Cash Equivalents	333.8	469.9	1,116.0	120.6	34.9	5.2	27.3	167.8	2,275.5	2,149.9
Others	3.8	333.8	-	9.6	21.6	-	2.9	2.1	373.8	274.2
Total Current Assets	1,749.7	1,358.1	1,199.4	1,487.8	601.1	83.3	557.7	612.3	7,649.5	6,325.0
Non-Current Assets										
PP&E	396.9	456.5	8,377.0	4,890.9	875.1	626.1	28.1	633.3	16,283.9	16,112.4
Investments	1,385.7	2.3	-	761.8	-	4.0	-	-	2,153.8	2,424.6
Goodwill / Intangible assets	57.6	425.5	24.7	965.0	861.6	180.1	1,109.6	241.0	3,865.1	3,861.5
Others	-	39.8	983.4	9.2	193.4	-	-	-	1,225.9	1,316.1
Total Non-Current Assets	1,840.1	924.2	9,385.1	6,626.9	1,930.1	810.2	1,137.7	874.3	23,528.6	23,714.7
Total Assets	3,589.8	2,282.3	10,584.6	8,114.7	2,531.2	893.6	1,695.3	1,486.6	31,178.1	30,039.7
Shareholders' Equity										
Total Equity Holders of the Company	6,398.5	(219.0)	(14.3)	(898.2)	(13.0)	(199.8)	(64.4)	(359.7)	4,630.0	4,024.7
Minority Interest	555.2	436.6	5,327.6	1,832.6	275.7	89.6	-	25.9	8,543.2	8,699.1
Total Equity	6,953.8	217.6	5,313.3	934.3	262.7	(110.2)	(64.4)	(333.8)	13,173.3	12,723.7
Current Liabilities										
Borrowings	1,100.7	98.4	-	533.3	406.8	233.2	32.4	173.5	2,578.4	3,132.0
Trade and Other Payables	501.4	925.7	727.7	1,216.1	269.8	65.2	355.5	181.0	4,242.4	5,497.6
Provisions	196.0	12.4	-	234.2	19.9	7.0	-	6.7	476.2	477.2
Liabilities Held For Sale	-	-	-	410.9	402.6	-	-	214.5	1,028.0	623.2
Total Current Liabilities	1,798.2	1,036.5	727.7	2,394.5	1,099.1	305.4	387.8	575.7	8,325.0	9,729.9
Non-Current Liabilities										
Borrowings	1,803.6	89.6	3,409.8	2,269.7	129.7	132.6	816.4	83.4	8,734.9	6,783.0
Shareholder loan	-	-	-	672.0	-	-	-	41.4	713.4	524.7
Long term Liabilities	28.7	147.4	9.8	46.0	31.0	2.9	(34.8)	0.5	231.5	278.3
Total Non-Current Liabilities	1,832.3	237.0	3,419.6	2,987.7	160.7	135.5	781.7	125.3	9,679.8	7,586.0
Total Liabilities	3,630.5	1,273.5	4,147.3	5,382.3	1,259.9	440.9	1,169.5	701.0	18,004.8	17,315.9
Total Equity and Liabilities	10,584.3	1,491.1	9,460.6	6,316.6	1,522.6	330.7	1,105.0	367.3	31,178.1	30,039.7

\* CC includes the standalone results of Qalaa Holdings, while SPVs are transaction- and purpose-specific vehicles used for specific investments and transactions and are generally fully consolidated. Others are core platform companies which includes Wafra & Mashreq.

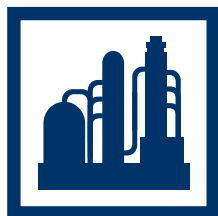
\*\* Miscellaneous includes non-core companies namely United Foundries, Bonyan, Crondall (Owner of Sudanese Egyptian Bank SEB), and Tanmeyah

## Operational Reviews

**SECTOR CONTRIBUTION TO  
TOTAL CORE PLATFORM  
REVENUES (1Q14)**  
(in EGP mn)



NB: Segment Revenues / EBITDA (Aggregate) in Operational Reviews refers to the mathematical total of 100% of the aggregate revenues or EBITDA of operational companies in the industry regardless of the consolidation method applied. Aggregate revenues and Aggregate EBITDA accordingly may not correlate to the figures consolidated on Qalaa Holdings' income statement.



## Sector Review: Energy

Qalaa Holdings' operational core Energy companies include TAQA Arabia (energy generation and distribution) and Tawazon (solid waste management / waste-to-energy). Pre-operational greenfields include Egyptian Refining Company (petroleum refining) and Mashreq (fuels bunkering).

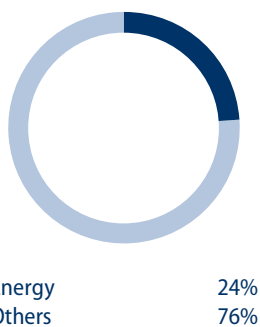
### Key Metrics (Operational Core Platform Companies)

Item (in EGP mn unless otherwise stated)	1Q13	1Q14	% diff
Segment Revenues (Aggregate)	291.5	364.5	25%
Segment EBITDA (Aggregate)	32.0	35.7	12%
% of Total Group Revenues	19%	22%	
TAQA Arabia Revenues	274.4	336.1	22%
TAQA Arabia EBITDA	35.9	30.9	-14%
Tawazon Revenues	17.1	28.4	66%
Tawazon EBITDA	(3.9)	4.8	222%
<i>TAQA Arabia Subsidiaries</i>			
TAQA Arabia Power Arm Revenues	57.3	62.0	8%
TAQA Arabia Power Arm EBITDA	19.2	14.9	-23%
TAQA Arabia Gas Distribution Revenues	46.6	69.2	48%
TAQA Arabia Gas Distribution EBITDA	23.9	25.0	4%
TAQA Arabia Gas Construction Revenues	54.7	32.4	-41%
TAQA Arabia Gas Construction EBITDA	1.2	2.5	108%
TAQA Marketing Revenues	112.3	164.1	46%
TAQA Marketing EBITDA	(0.6)	4.0	750%
<i>Tawazon Subsidiaries</i>			
ECARU Revenues	16.5	28.4	72%
ECARU EBITDA	(2.3)	6.3	377%
ENTAG Revenues	0.7	0.8	10%
ENTAG EBITDA	(1.6)	(1.2)	25%

## Key Performance Indicators

Item	1Q13	1Q14	% diff
<i>TAQA Arabia KPIs</i>			
Total Electricity Generated (million kW/hr)	37.4	31.5	-16%
Total Electricity Distributed (million kW/hr)	68.4	81.2	19%
CNG & Gas Distribution (in BCM)	1.2	1.1	-8%
Gas Construction (# converted customers)	16,359	12,745	-22%
Fuel Distribution (gasoline, diesel, in '000 liters)	73,038	125,575	72%
Fuel Distribution (fuel oil, in '000 liters)	14,573	5,163	-65%
Lube Distribution (tons)	450	513	14%
Operational Filling Stations (#)	22	27	23%
Total Hotels (Electricity)	85	85	0%
Total Other Customers (Electricity)	20	151	655%
Total Industrial Clients (electricity)	59	80	36%
Total Industrial Clients (gas)	121	151	25%
Total Household Clients (electricity)	1,739	2,863	65%
Total Household Clients (gas)	459,515	511,905	11%
<i>Tawazon KPIs</i>			
Tawazon Agricultural Waste Collected	88,481	88,247	0%

### SECTOR PERCENT OF CORE PLATFORM REVENUES (1Q14)



## Energy Division Operational and Financial Performance

Energy division revenues increased by 25% y-o-y to EGP 364.5 million in 1Q14 and EBITDA increased by 12% to EGP 35.7 million. Improved results in the quarter are attributable to better performance across both platform companies TAQA Arabia and Tawazon.

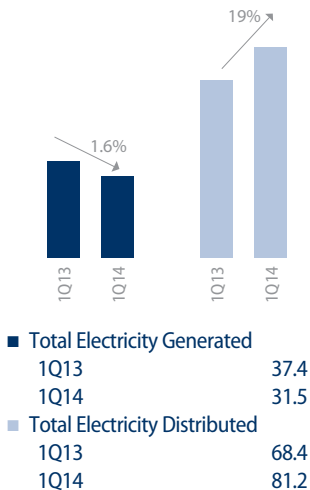
### TAQA Arabia

- **TAQA Arabia's** consolidated revenues in 1Q14 came in at EGP 336.1 million, a 22% increase over the same period last year. The increase is mainly attributable to robust operational performance in the Gas Distribution and Fuel Marketing divisions. Consolidated EBITDA dropped by 14% on the impact of a decrease in the Power division's EBITDA due to the end of South Valley project in 2013.
- At the **Power** division, the combined volume of electricity generated and distributed by the power stations increased by some 6% to reach 112.8 M KW, mainly attributable to increased consumption in the areas served by El Futtim and Nakheel power stations. Nabq and Taba power stations, meanwhile, saw a continued downward trend in electricity generation due to lower hotel occupancy rates in both areas, which has depressed consumption. Despite an increase of 8% y-o-y in sales revenues, EBITDA decreased 23% due to higher admin expenses



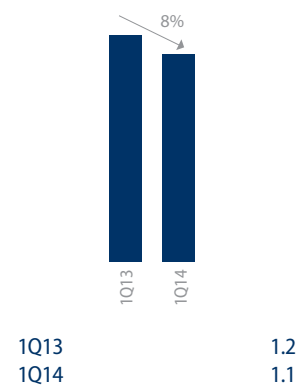
#### ELECTRICITY COMPARISON

(mn kW/hr)



#### CNG AND GAS DISTRIBUTION

(BCM)



and the end of the South Valley project.

- The **Gas Distribution** division, the company's strongest generator of cash flow, recorded a 48% y-o-y increase in 1Q14 revenues. The increase in revenues and 4% uptick in EBITDA is mainly due to increased customer service revenues and higher gas prices, which outweighed a 4% drop in gas distribution volumes.
- TAQA Arabia's **Gas Construction** operations saw a sharp decline of 41% in 1Q14 revenues as compared to 1Q13 mainly on the back of a 22% decrease in the number of converted customers as well as the completion of key industrial projects in 2013. Despite this, EBITDA showed a 108% increase y-o-y on lowered expenses, in particular admin expenses.
- Fuels Marketing** witnessed a y-o-y revenue increase of 46%, fueled by higher sales of gasoline, diesel and lube oil, coupled with the launch of operations at five new stations. Similarly, EBITDA surged by 750%, moving into positive territory.

#### Tawazon

- Solid waste management play **Tawazon** reported a 66% y-o-y surge in revenues in 1Q14 and an increase of 222% in EBITDA. This comes as revenues increased at ECARU on the back of newly signed contracts for its municipal and agriculture waste operations.
- ECARU's** top-line witnessed a significant increase of 72% y-o-y. Tipping fees from the newly signed Dakahleyya municipal solid waste (MSW) contract amounted to EGP 1.55 million; notably, the company did not generate tipping fees in 1Q13. Also boosting the top line, product revenues derived from processing of raw reject, recyclables, and compost amounted to EGP 1.21 million.
- Agricultural waste operations were muted due to non-payment by the Egyptian Environmental Affairs Agency of the outstanding receivables to ECARU. However, 1Q14 operations were boosted by the supply of biomass (rice straw and fruit trimmings) to Italcementi reaching 21,360 tons, generating EGP 11.7 million of revenue, as compared to 1,335 tons with revenues of EGP 647,000 in the same quarter last year. This increase was a one-time project with Italcementi, and not part of the newly signed contract with that company, which sets annual quantities. The newly signed contract goes into effect starting 2H14.
- ECARU's EBITDA increased by 377% y-o-y, driven by the beneficial pricing of the Italcementi contract, in addition to improved cost controls, a key part of ECARU's restructuring plan under which it has revaluated its headcount to match the needs of on-the-ground operations.
- ENTAG** continued to see minimal revenues and EBITDA in 1Q14 as a number of countries region-wide have slowed investment spending since the beginning of the Arab Spring. The majority of this quarter's revenues were generated from the sale of equipment to sister company ECARU; the balance of revenues were generated from other equipment supply and maintenance.

#### Energy Division: Status of Pre-Operational Greenfields

(Greenfield core platform companies in construction phase)

- Engineering, construction and procurement work for the **Egyptian Refining Company (ERC)**, which is building a US\$ 3.7 billion greenfield petroleum refinery in the Greater Cairo Area, remains solidly on track, with overall development progress to March 2014 at 35% complete. The project reached financial close in June 2012 and is expected to inaugurate operations in 2017. The project is expected to produce more than 4 million tons of refined products,

including 2.3 MTPA Euro V diesel. As of the 26th of June 2014, all of the project's land plots had been handed over to the contractor.

- Last year, **Mashreq Petroleum** signed a 30-year concession agreement (in addition to a three-year grace period for construction) with the East Port Said Port Authority that will allow it to build the first independent tank terminal in Egypt and provide liquid bulk petroleum products storage / bunkering and blending services. The concession is on a build-operate-transfer (BOT) system for 25 years, extendable by one year for every five years during which the project achieves at least 90% of its throughput targets.



## Sector Review: Cement

Qalaa Holdings' operational core Cement platform company is ASEC Holding, which includes cement manufacturing (ASEC Cement with production facilities: Al-Takamol Cement in Sudan, Misr Qena Cement, ASEC Ready Mix and ASEC Minya in Egypt, Zahana Cement Co. and Djelfa (under construction) in Algeria and greenfield license in Syria), construction (ARESCO, ASEC Automation) and management (ASEC Engineering and ASENPRO).

### Key Metrics (Operational Core Platform Companies)

Item (in EGP mn unless otherwise stated)	1Q13	1Q14	% diff
Segment Revenues (Aggregate) <sup>^</sup>	548.2	633.8	16%
Segment EBITDA (Aggregate) <sup>^</sup>	20.4	47.6	134%
Segment Revenues (Statutory)*	500.1	594.9	19%
Segment EBITDA (Statutory)*	(18.8)	56.2	399%
% of Total Group Revenues	7%	8%	
Cement Division Revenues**	186.8	376.2	101%
Cement Division EBITDA**	15.3	62.2	307%
Misr Qena Cement Revenues ()	223.5	243.0	9%
Misr Qena Cement EBITDA ()	90.0	90.6	1%
Al-Takamol Cement Co. Revenues <sup>^^</sup>	101.4	84.1	-17%
Al-Takamol Cement Co EBITDA <sup>^^</sup>	0.5	4.1	696%
Zahana Revenues <sup>^^</sup>	63.3	24.5	-61%
Zahana EBITDA <sup>^^</sup>	14.0	(16.6)	-219%
ASEC Ready Mix Revenues	15.6	28.9	85%
ASEC Ready Mix EBITDA	1.8	4.5	153%
ASEC Minya Revenues	-	235.1	n/a
ASEC Minya EBITDA	-	70.3	n/a
Construction and Management Division Revenues	361.4	257.6	-29%
Construction and Management Division EBITDA	5.1	(14.6)	-387%

<sup>^</sup> The Segment Revenues and EBITDA (Aggregate) are the simple summation of the Cement and Construction division results.

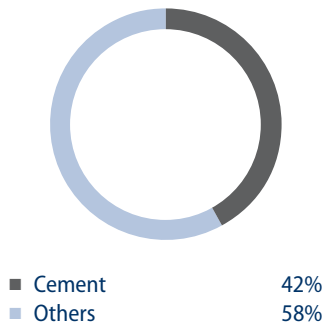
\* The Segment Revenues and EBITDA (Statutory) are the actual consolidated revenues and EBITDA figures of the Cement sector which reflects eliminations intra the whole cement and construction group. These line items also now reflect Al-Takamol Cement Co's acquisition of Berber for Electrical Power, which has been formally completed and finalized in 4Q13.

\*\* Management opted to reflect the Berber deal in 1Q13 revenues and EBITDA figures for better reflection of the situation.

<sup>^^</sup> For better operational y-o-y comparison, results were translated at a nominal exchange rate of EGP 0.089 vs 1 DZD, and EGP 1.172 vs 1 SDG for 1Q13 and 1Q14.

() Misr Qena Cement is not consolidated using full consolidation method in the cement segment figures, but rather equity method consolidation, having investment income recorded above the EBITDA.

SECTOR PERCENT OF CORE  
PLATFORM REVENUES (1Q14)



## Cement Sector Operational and Financial Performance

The Cement sector includes a Cement division and a Construction and Management division. In 1Q14, the rise in aggregate revenues and EBITDA is primarily derived from the Cement division and largely from the inclusion of ASEC Minya for the first time in the consolidated statements.

### Cement Division:

- **ASEC Cement**, which currently controls cement production capacity of 6.5 MTPA, saw consolidated revenues double quarter-on-quarter (q-o-q) to EGP 376.2 million, primarily due to the consolidation of the new ASEC Minya plant in 1Q14's results. Consolidated EBITDA rose 307% to EGP 62.2 million as increased revenues and EBITDA from ASEC Ready Mix and a positive contribution from ASEC Minya offset a drop in EBITDA from Zahana Cement (exit plan in progress) that was mostly attributable to the delay in the new Raw Mill's operation startup. In Sudan, Al-Takamol is still facing fuel shortages which resulted in lower revenues.
- The impact of the positive performance at ASEC Cement has been muted in the consolidation due to the restatement of 1Q13 results to match 1Q14 results, reflecting the new cost structure at Al-Takamol Cement, one of the largest contributors to the results of ASEC Cement (see details below). This restatement had the impact of sharply improving 1Q13 results at Al-Takamol.

### Within ASEC Cement:

- Sales revenue at **Misr Qena Cement Co.** (MCQE on the EGX, not fully consolidated into ASEC Cement's results, but investment income from which is recorded above the EBITDA line) increased at a faster pace than volumes due to a 16% rise in selling prices to pass through the increase in fuel costs. Although EBITDA was essentially stable, EBITDA margins were down on higher costs. Decreased FOREX gains, meanwhile, dampened the bottom line, as well. Notably, Misr Qena Cement has been granted environmental approvals to use coal at its plant, in line with its strategy to migrate away from using heavy fuel as a source of energy. The company is currently evaluating offers to proceed with the project.
- **ASEC Minya**, a US\$ 360 million 2 MTPA greenfield cement plant in upper Egypt, recorded robust figures during the first quarter of 2014. The company began production of clinker and cement on June 10 and June 27, 2013, respectively, and the fourth quarter of 2013 marked the first normal financial statements to the company.
- **ASEC Ready Mix** (ARMC) is the first ready mix cement producer focused on the high-potential markets of Upper Egypt, now operates batch plants in Assiut, Qena, Sohag and Aswan. ARMC starts the year with strong operational performance, with revenues growing 85% y-o-y, driven by an increase in prices and increased market appetite.
- **Zahana Cement**, a key brownfield investment of ASEC Cement located in western Algeria, saw continued difficulties in 2014, with both revenues and EBITDA dropping y-o-y. These falls stem from the delay in the launch of operations for the new Raw Mill, which also impacted the dry line, which was stopped for a total of 72 days in the first quarter. Furthermore, the ban on the use of explosives in the limestone quarries has negatively impacted production targets, causing a decline in clinker production. The exit plan from Zahana Cement via a sale to the Algerian government is currently one of the company's main priorities.

- In Sudan, **Al-Takamol Cement Company** reports lower sales revenues in 1Q14 as compared to 1Q13 as a result of a sharp reduction in volumes produced and sold resulting from persistent interruptions to operations because of the unavailability of liquid fuels. This drop was partially offset by a 41% increase in selling prices y-o-y in 1Q14.

#### Construction Division

- Aggregate revenues of the construction and management division decreased by 29% y-o-y to EGP 257.7 million, mainly attributable to the 78% y-o-y decrease in ASENPRO's revenues on the back of EGP 67 million in unrealized revenues and the extension of a major cement project from May to December 2014. However, ASEC Engineering, ARESKO and ASEC Automation showed an increase in top-line results. An increase in ASEC Engineering at the EBITDA level was insufficient to offset difficulties in other subsidiaries, which resulted in an overall EBITDA drop from positive EGP 5.1 million in 1Q13 to negative EGP 14.6 million in 1Q14.



## Sector Review: Agrifoods

Qalaa Holdings' operational core Agrifoods companies include Gozour (multicategory agriculture and consumer foods) and Wafra (agriculture in Sudan and South Sudan).

### Key Metrics (Operational Core Platform Companies)

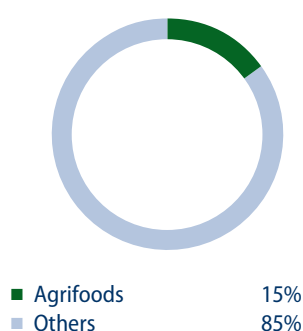
Item (in EGP mn unless otherwise stated)	1Q13	1Q14	% diff
Segment Revenues (Aggregate)	315.9	235.1	-26%
Segment EBITDA (Aggregate)	28.2	15.3	-46%
% of Total Group Revenues	20%	14%	
Gozour Revenues	313.5	233.7	-25%
Gozour EBITDA	33.9	20.0	-41%
Wafra Revenues	2.4	1.4	-39%
Wafra EBITDA	(5.7)	(4.8)	17%
<i>Gozour Subsidiaries</i>			
Rashidi El-Mizan Revenues	127.2	106.4	-16%
Rashidi El-Mizan EBITDA	16.4	10.5	-36%
Rashidi for Integrated Solutions Revenues	33.7	34.6	3%
Rashidi for Integrated Solutions EBITDA	1.6	(0.1)	-106%
Dina Farms Revenues	88.7	94.8	7%
Dina Farms EBITDA	25.3	27.0	6%
Enjoy Revenues	67.2	5.6	-92%
Enjoy EBITDA	(2.6)	(11.6)	-353%
ICDP Revenues	19.2	23.7	23%
ICDP EBITDA	0.9	2.1	123%
Revenues of Non-Operational Companies	6.3	4.0	-36%
EBITDA of Non-Operational Companies	(7.9)	(7.8)	-1%

## Key Performance Indicators

Item	1Q13	1Q14	% diff
<i>Gozour KPIs</i>			
Rashidi El-Mizan Tons Sold (all SKUs in tons)	7,978	5,753	-28%
Rashidi Sudan Tons Sold (all SKUs in tons)	2,439	1,246	-49%
Dina Farms Tons Sold (raw milk in tons)	15,300	16,310	7%
Dina Farms Tons Sold (agricultural in tons)	15,836	15,023	-5%
Dina Farms Total Herd	14,688	16,079	9%
Of Which Milking Cows	6,493	7,094	9%
Enjoy Tons Sold (all SKUs in SKU)	12,264	558	-95%
ICDP Tons Sold (all SKUs in SKU)	2,393	2,525	6%
Total Land Planted in Egypt (in feddans) for the Period <sup>1</sup>	4,560	4,051	-11%
Crops (in feddans)	4,071	3,493	-14%
Orchards (in feddans)	489	558	14%

<sup>1</sup> Amount of land varies each quarter due to the seasonality of the crops.

### SECTOR PERCENT OF CORE PLATFORM REVENUES (1Q14)



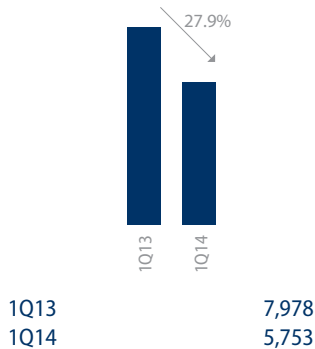
## Agrifoods Foods Division Operational and Financial Performance

The sector saw a 26% y-o-y decrease in 1Q14 revenues and a 46% decrease y-o-y in 1Q14 EBITDA. The drop comes mainly on the back of underperformance at Gozour portfolio company Rashidi El Mizan and Enjoy's facility stoppage. Also, Wafra currently faces difficulties in operations ranging from political and civil conflicts in South Sudan to technical problems in Sudan.

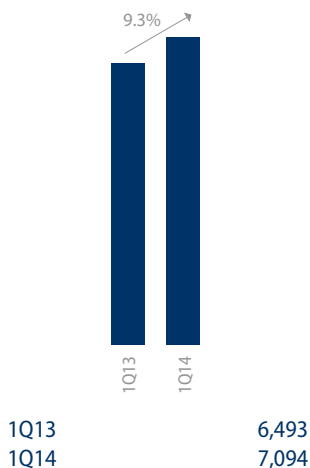
### Gozour

- On a consolidated basis, integrated multi-category agriculture and consumer foods platform Gozour reported 1Q14 revenues of EGP 233.7 million, a 25% decrease compared to the same period last year. The company recorded an EBITDA of EGP 20 million in the first quarter of 2014, a 41% decrease compared to the same period last year, driven by the underperformance of Rashidi El-Mizan, and Rashidi for Integrated Solutions. Also, the non-operational companies (El Aguizy, Mom's Food, and Elmisrieen) are still incurring losses. Finally, Enjoy's facility has been put to a temporary stop pending a revisit of the company's business cycle and business plan.
- In Egypt, leading regional confectioner **Rashidi El-Mizan (REM)** reported a 16% decrease in 1Q14 sales revenue compared to the same period last year, driven by the significant increase in the prices of Halawa and Tehina products due to the inflated prices of sesame (a key raw material in their production). First quarter 2014 EBITDA dropped by 36% versus the same period last year, mainly driven by lower sales revenue in comparison to same period in 2013, also as a result of higher raw material costs (sesame in particular).
- Rashidi for Integrated Solutions (RIS)**, a leading confectioner in Sudan, reported an increase of 3% in revenues in 1Q14, compared to the same period last year. EBITDA decreased from a gain in 1Q13 to a loss in 1Q14, mainly caused by higher prices of sesame making Halawa products less affordable for Sudanese consumers. Also, the devaluation of the local currency resulted in deterioration

**RASHIDI EL-MIZAN  
COMPARISON (tons sold, SKUs)**



**DINA FARMS  
TOTAL MILK COWS**



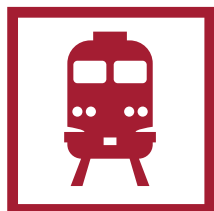
of consumers' purchasing power. Finally, RIS' sole distributor terminated the distribution contract given the significant drop in demand for Halawa in the country.

- **Dina Farms** recorded 7% y-o-y sales growth in first quarter 2014 driven by higher raw milk selling prices as well as the increase of daily production from 25.37 kg per cow to 27.74 kg per cow. As a result, EBITDA increased by 6% in 1Q14 over the same period last year.
- **Investment Co. for Dairy Products (ICDP)**, which markets Dina Farms' fresh dairy products (the nation's leading fresh milk brand), witnessed a 23% y-o-y increase in 1Q14 sales revenue while EBITDA increased in 1Q14 by 123% y-o-y, mainly due to higher milk selling prices. Moreover, new agents have been hired on a fixed contract basis to revamp sales in Egypt's Delta region and penetrate seven new governorates in 2014 to reach a total of 4,748 'traditional trade' clients (out of total target of 6,500 in 2014). Also, the company, on the back of more 'mainstream' competitive price / pack offerings, launched a 75gm yogurt to recruit B consumers to the Dina Farms brand, further absorbing manufacturing overhead costs of the yogurt line.
- Milk and juice producer **Enjoy** posted a dramatic 92% y-o-y reduction in its revenues in 1Q14. This reduction is due to the stoppage of the factory driven by the company's cash crunch and lack of working capital.

*Wafra*

- Agriculture play **Wafra** reports a 39% drop in revenues y-o-y in 1Q14, while EBITDA-level losses continued to narrow.
- **Concord Agriculture** has been significantly impacted for more than a year by the civil conflict in South Sudan. There have been no further developments on the project because the plots are situated near Bentiu which has been the center of severe fighting and atrocities committed by both parties.
- As discussed in the FY2013 Business Review, Wafra portfolio company **Sabina** halted development and planting more than a year ago. The company is currently in advanced stages of sample collection for the purpose of the soil analysis study.





## Sector Review: Transportation & Logistics

Qalaa Holdings' operational core Transportation & Logistics companies include Rift Valley Railways (the national railway of Kenya and Uganda) and Nile Logistics (river transportation in Egypt, Sudan and South Sudan).

### Key Metrics (Operational Core Platform Companies)

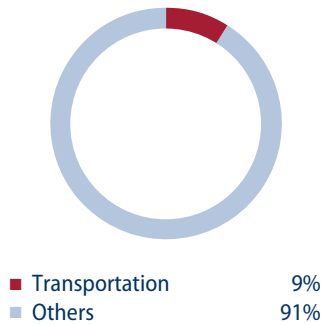
Item (in EGP mn unless otherwise stated)	1Q13	1Q14	% diff
Segment Revenues* (Aggregate)	110.5	141.8	28%
Segment EBITDA (Aggregate)	(31.3)	0.9	103%
% of Total Group Revenues	8%	9%	
<i>Nile Logistics Subsidiaries</i>			
Nile Logistics (National Multimodal Transport Company 'NMT') Revenues	6.7	12.4	82%
Nile Logistics (National Multimodal Transport Company 'NMT') EBITDA	(7.2)	(5.9)	-18%
Nile Barges (South Sudan) Revenues (in USD mn)	0.8	-	-
Nile Barges (South Sudan) EBITDA (in USD mn)	0.4	(0.2)	-153%
Africa Railways Revenues (in USD mn)	15.0	18.6	24%
Africa Railways EBITDA (in USD mn)	(3.8)	1.2	130%

\* To calculate segment revenues and EBITDA, figures for Africa Railways and Nile Barges (South Sudan) have been converted at average yearly exchange rates of EGP 6.61 : USD 1 for 1Q13 and EGP 6.95: USD 1 for 1Q14.

### Key Performance Indicators

Item	1Q13	1Q14	% diff
<i>Nile Logistics KPIs</i>			
Ton-Kilometer Water Egypt (millions)	2.8	-	-
Barges in Service Egypt	43	-	-
Tons delivered Egypt (thousands)	-	-	-
<i>Egypt Stevedoring KPIs</i>			
Tons Handled (thousands)	n/a	173.3	-
No. of Locations	n/a	1.0	-
No. of Vessels Used	n/a	10.0	-
<i>River Transport South Sudan KPIs</i>			
Ton-Kilometer Water (millions)	11.8	-	-
Barges in Service South Sudan	9.0	-	-
<i>Africa Railways KPIs</i>			
Ton-Kilometer Rail (millions)	259.1	251.3	3%
Revenues per Net Ton Kilometer (cents/NTK)	0.057	0.074	30%

SECTOR PERCENT OF CORE  
PLATFORM REVENUES (1Q14)



### Transportation & Logistics Operational and Financial Performance

The Transportation & Logistics division posted aggregate revenues in 1Q14 of EGP 141.8 million, a 28% increase over the same period last year. Similarly, the sector witnessed a significant surge on the EBITDA level to a positive EGP 0.9 million as compared to a negative EGP 31.3 million in 1Q13. Although Nile Barges in Egypt and South Sudan completely stopped operations in 1Q14, Nile Logistics showed higher revenues y-o-y on the back of its stevedoring operations at sea ports.

#### Nile Logistics

- Lost revenue from the stoppage of barge operations on the Nile was offset by the increased stevedoring (floating crane) operations in Alexandria Port, which has quickly become a key source of income for the division. The number of tons handled by the floating crane reached a total of 173,000 tons in 1Q14 up from only 18,000 tons in 4Q13, an increase of 868%. Accordingly, the company records an 85% increase in 1Q14 revenue. **Nile Logistics** also grew its fleet of vessels used in stevedoring operations from 4 in 4Q13 to 10 in 1Q14, further aiding the growth in tons handled.
- EBITDA improved by 82%, although it remains negative in 1Q14. That said, Nile Logistics has since achieved its first two months of positive EBITDA (June and July 2014) on the back of improved container transshipment and stevedoring operations.

#### Africa Railways

- **Rift Valley Railways** continued building on revenue growth, reporting a 24% increase y-o-y, while EBITDA has jumped into the positive territory with a 130% increase over the same period last year.
- RVR is purchasing 20 GE locomotives from the United States, with the expected delivery of the first batch in mid-September of 2014. With the ongoing loco rehabilitation program, the company expects to double the current locomotive fleet by end-2014. The new locomotives along with a proper maintenance regime for the existing ones will enhance the company's revenues going forward.
- To enhance profitability, RVR is trying to scale-down the number of staffed employees; currently, the company has some 2,400 employees, down from 3,600 employees in 2006 when the company was bought by Qalaa Holdings.



## Sector Review: Mining

Qalaa Holdings' operational core platform in the Mining sector is ASCOM, which includes operating companies ASCOM (as standalone and leading provider of quarrying services), ASCOM for Chemicals and Carbonates Manufacturing (ACCM), ASCOM Precious Metals (APM), GlassRock, and ASCOM Sudan.

### Key Metrics (Operational Core Platform Companies)

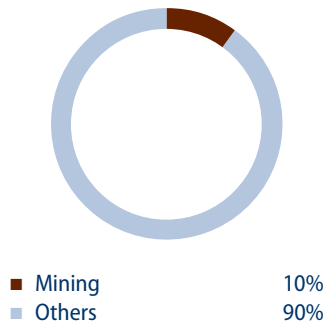
Item (in EGP mn unless otherwise stated)	1Q13	1Q14	% diff
Segment Revenues (Statutory)	131.7	148.9	13%
Segment EBITDA (Statutory)	5.9	12.4	109%
% of Total Group Revenues	35%	38%	
ACCM Revenues (in USD mn)	4.1	4.6	11%
ACCM EBITDA (in USD mn)	1.0	1.0	3%
GlassRock Revenues (in USD mn)	0.7	1.0	32%
GlassRock EBITDA (in USD mn)	(0.8)	(0.4)	50%
Egypt Quarrying Revenues	72.6	96.5	33%
Egypt Quarrying EBITDA	4.7	10.5	125%
Other Quarry Management Revenues - ex Egypt	17.4	12.5	-28%
Other Quarry Management EBITDA - ex Egypt	2.9	(1.9)	-165%

\*Other results include Algeria and Sudan.

### Key Performance Indicators

Item	1Q13	1Q14	% diff
ACCM Volumes Sold (thousand tons)	50.2	57.7	15%
GlassRock Volumes Sold (thousand tons)	0.6	1.0	63%
Egypt's Quarrying Business Volumes Sold (million tons)	8.0	8.5	6%

#### SECTOR PERCENT OF CORE PLATFORM REVENUES (1Q14)

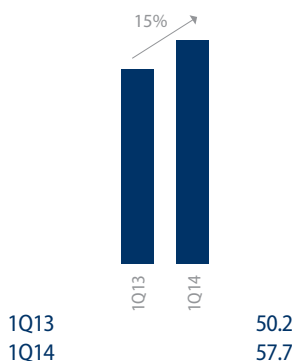


#### Mining Operational and Financial Performance

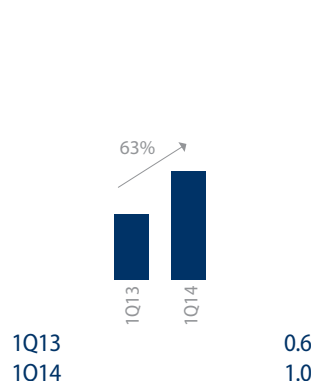
In 1Q14, the 13.1% y-o-y growth of **ASCOM's** consolidated revenues to EGP 149 million and 109% increase in EBITDA to EGP 12.4 million was mainly due to proceeds from Egyptian quarrying operations' new geology contract with Matz Holdings Ltd.

- **ASCOM for Chemicals and Carbonates Mining (ACCM)** reported an 11% improvement in revenues but technical problems that arose in the coated lines and a delay in wet line startup saw EBITDA levels steady y-o-y. Commissioning on the new wet grinding line is well underway and management expects the line to be fully operational by 4Q14, taking ACCM's milling capacity to 240,000 tons by year-end.
- **GlassRock Insulation Co.** saw revenues increase 32% y-o-y although EBITDA continues to show losses. That said, EBITDA did post a 50% improvement over the same period of last year as improved production efficiency saw costs per ton decrease by almost 35%. Notably, EBITDA had turned positive during the last month of 2Q14 and is expected to remain that way throughout the rest of the year.
- **ASCOM Precious Metals Mining (APM)**, an ASCOM project under development, continues to meet its business objectives. APM's holdings include two gold concessions in Ethiopia (at which the company has now completed 47,706m of drilling with early results continuing to indicate a commercially significant gold discovery) and a concession in Sudan's Blue Nile Region. APM recently released an updated Mineral Resource Estimate, which puts reserves in place at a total of 1.7 mn ounces at 1.5 grams per ton.
- ASCOM's **quarrying business within Egypt** reported a 33% y-o-y increase in sales revenues and a 125% improvement to EBITDA, largely stemming from its new contract with Matz Holdings, Ltd.
- ASCOM's **quarrying businesses outside Egypt**, which include operations in Algeria and Sudan, saw a 29% drop in sales revenues and EBITDA continues to be negative, mainly on the back of the ending of the Al-Takamol Cement contract in Sudan.

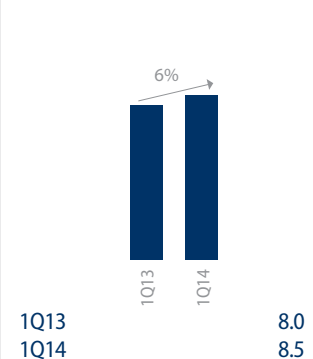
#### ACCM VOLUMES SOLD COMPARISON (thousand tons)



#### GLASSROCK VOLUMES SOLD COMPARISON (thousand tons)



#### EGYPT QUARRYING BUSINESS VOLUMES SOLD COMPARISON (million tons)



## Key Metrics (Operational Non-Core Platform and Portfolio Companies)

Item (in EGP mn unless otherwise stated)	1Q13	1Q14	% diff
<b>MENA Glass Consolidated*</b>			
Revenues (in USD mn)	13.9	11.7	-16%
EBITDA (in USD mn)	3.2	4.0	24%
Revenues (in EGP mn)	91.9	81.2	-12%
EBITDA (in EGP mn)	21.4	27.8	30%
<b>Sphinx Glass</b>			
Revenues	91.3	81.2	-11%
EBITDA	22.6	28.6	27%
Volumes Sold (tons)	47,026	35,346	-25%
Local	21,529	25,593	19%
Export	25,497	9,754	-62%
<b>MGM</b>			
Revenues	78.7	73.3	-7%
EBITDA	31.3	29.4	-6%
Volumes Sold (tons)	23,922	21,571	-10%
Local	16,459	14,598	-11%
Export	7,463	6,973	-7%
<b>United Foundries Consolidated</b>			
Revenues	40.2	38.2	-5%
EBITDA	4.9	6.3	29%
<b>United Company for Foundries (factory)</b>			
Revenues	40.2	38.2	-5%
EBITDA	4.9	6.3	29%
<b>Amreyah Metals Company</b>			
Revenues	12.6	9.3	-26%
EBITDA	0.4	(1.0)	-337%
<b>Alexandria Automotive Company (EUR mn)</b>			
Revenues	2.7	-	-
EBITDA	(0.8)	(0.7)	10%
<b>Finance Unlimited (Combined)</b>			
Revenues	25.8	31.6	23%
EBITDA / Operating Income	1.2	4.8	309%
<b>Pharos</b>			
Revenues	10.2	10.7	5%
EBITDA	2.1	(2.2)	-202%
<b>Tanmeyah</b>			
Revenues	15.6	20.9	34%
Operating Income	(1.0)	7.0	631%

\* Mena Glass is the SPV that consolidates 73% of Sphinx Glass, and 31.8% of MGM as investment income above the EBITDA line

## Summary of Performance of Operational Core Platform Companies — 1Q14

Item (in EGP mn)	Revenues		% diff	EBITDA		% diff
	1Q13	1Q14		1Q13	1Q14	
CORE PLATFORMS						
ENERGY						
TAQA Arabia	274.4	336.1	22%	35.9	30.9	-14%
Tawazon	17.1	28.4	66%	(3.9)	4.8	-222%
Aggregate	291.5	364.5	25%	32.0	35.7	12%
CEMENT						
ASEC Cement*	186.8	376.2	101%	15.3	62.2	307%
Construction / Plant Management	361.4	257.6	-29%	5.1	(14.6)	-387%
Aggregate	548.2	633.8	16%	20.4	47.6	134%
AGRIFOODS						
Gozour	313.5	233.7	-25%	33.9	20.0	-41%
Wafra**	2.4	1.4	-39%	(5.7)	(4.8)	17%
Aggregate	315.9	235.1	-26%	28.2	15.3	-46%
TRANSPORTATION & LOGISTICS						
Nile Logistics	6.7	12.4	85%	6.7	12.4	-85%
Nile Barges (South Sudan)**	5.2	0.0	-100%	2.4	(1.4)	-156%
Africa Railways**	99.3	129.4	30%	(25.2)	8.1	132%
Aggregate	111.2	141.8	28%	(16.0)	19.2	220%
MINING						
ASCOM	131.7	148.9	13%	5.9	12.4	109%
Aggregate	131.7	148.9	13%	5.9	12.4	-109%
Accumulated Total for Core Platforms	1,398.4	1,524.2	9%	70.4	130.1	85%
LONG-TERM NON CORE PLATFORMS***						
Tanmeyah (Finance Unlimited)	15.6	20.9	34%	(10.7)	7.0	165%
Accumulated Total for Long-Term Non-Core Platforms	15.6	20.9	34%	(10.7)	7.0	165%
Accumulated Total	1,414.0	1,545.1	9%	59.6	137.1	130%

\* Al-Takamol Cement Co's acquisition of Berber for Electrical Power has been formally completed and finalized

\*\* Wafra, Africa Railways, and Nile Barges (South Sudan) figures have been converted to EGP from USD using average yearly exchange rates of EGP 6.61 : USD 1 for 1Q13 and EGP 6.95: USD 1 for 1Q14.

\*\*\* Long-Term Non Core Platforms are those companies that do not fall under the core industry umbrella and are not subject to any divestment plans in the near future.

## Qalaa Holdings Investments by Industry/Platform (in EGP mn)

Industry	Platform	1Q 2014				FY 2013					
		Investment	Convertible	I/C	LT Loans	Total	Investment	Convertible	I/C	LT Loans	Total
CORE PLATFORMS											
Energy	TAQA Arabia	608.6	-	(59.5)	-	549.1	532.8	-	(66.3)	-	466.6
	Tawazon	34.4	-	0.8	-	35.2	34.4	-	0.8	-	35.2
	ERC	506.6	-	(114.2)	-	392.4	473.2	-	(153.4)	-	319.8
	Mashreq	67.8	-	20.9	-	88.7	58.7	-	19.5	-	78.2
Cement		1,217.4	-	(152.0)	-	1,065.4	1,099.1	-	(199.4)	-	899.8
	ASEC Holding	1,174.8	373.4	239.6	-	1,787.8	1,004.9	564.9	226.2	-	1,796.1
		1,174.8	373.4	239.6	-	1,787.8	1,004.9	564.9	226.2	-	1,796.1
	Gozour	760.6	-	29.4	233.7	1,023.7	737.5	-	29.3	229.5	996.2
Agrifoods	Wafra	186.2	-	107.1	-	293.3	186.2	-	102.9	-	289.1
		946.8	-	136.5	233.7	1,316.9	923.7	-	132.2	229.5	1,285.4
Transportation & Logistics	Nile Logistics	342.9	-	(3.1)	149.2	489.0	333.3	-	(3.1)	146.9	477.1
	Rift Valley Railways	115.4	-	44.8	-	160.2	115.4	-	44.5	-	159.9
		458.3	-	41.6	149.2	649.1	448.7	-	41.4	146.9	637.0
	ASCOM	183.11	-	-	117.9	301.0	183.1	-	-	115.4	298.5
Mining											
Total Core		3,980.4	373.4	265.7	500.8	5,120.3	3,659.6	564.9	200.5	491.8	4,916.7
NON-CORE PLATFORMS											
Upstream Oil & Gas	NOPC / Rally	359.1	-	5.9	-	365.0	359.1	-	-	-	359.1
	NPC	323.2	-	4.9	-	328.1	323.2	-	4.9	-	328.1
	NOPC Convertible	-	81.5	76.8	-	158.3	-	81.5	68.4	-	149.9
	NPC Convertible	-	52.4	68.6	-	121.0	-	52.4	68.5	-	120.9
	NVPL	154.0	-	-	-	154.0	154.0	-	-	-	154.0
		836.3	133.9	156.1	-	1,126.3	836.3	133.9	141.7	-	1,112.0
Glass Manufacturing	GlassWorks	650.1	-	(35.8)	-	614.2	617.1	-	(35.8)	-	581.2
Metallurgy	United Foundries	266.4	-	59.9	151.4	477.8	198.6	-	59.0	157.0	414.5
Specialty Real Estate	Bonyan	279.3	-	34.9	114.0	428.2	262.1	-	34.2	112.1	408.4
Multisector Holdings	Grandview	288.2	-	(4.7)	(8.7)	274.8	230.4	-	(4.7)	-	225.7
Financial Services	Finance Unlimited	232.8	-	(18.8)	47.1	261.1	214.5	-	(18.8)	46.2	241.9
Media	Tanweer	165.0	-	5.0	63.2	233.2	165.0	-	4.2	62.1	231.3
Africa Fund		101.3	-	-	-	101.3	86.4	-	-	-	86.4
MENA Fund		48.4	-	-	-	48.4	48.4	-	-	-	48.4
Others	Funds & Others	772.3	-	251.3	-	1,023.6	108.5	-	192.9	-	301.3
Total Non-Core		3,640.1	133.9	447.8	367.1	4,588.9	2,767.3	133.9	372.6	377.4	3,651.2
Total Core & Non-Core Investments		7,620.4	507.3	713.5	867.9	9,709.2	6,426.9	698.8	573.1	869.2	8,567.9

## Summary of Qalaa Holdings Consolidated Income Statement (in EGP mn)

Item	1Q14	1Q13*
Revenues	1,366.9	5.1
Cost of Sales	(1,128.8)	(3.1)
<b>Gross Profit</b>	<b>238.1</b>	<b>2.0</b>
Advisory fees	4.4	14.9
Share in Associates' Results	20.1	(11.5)
Other losses/Gains	-	-
<b>Operating Profit (Loss)</b>	<b>262.5</b>	<b>5.4</b>
OPEX	(248.6)	(53.0)
Other Expenses	15.0	(83.3)
<b>EBITDA</b>	<b>29.0</b>	<b>(130.9)</b>
Depreciation	(103.5)	(3.4)
<b>EBIT</b>	<b>(74.5)</b>	<b>(134.2)</b>
Financing Income (Expense)	(174.1)	7.8
<b>Profit (Loss) Before Tax</b>	<b>(248.5)</b>	<b>(126.4)</b>
Income Taxes	(9.2)	-
Net Profit (Loss) After Tax from Continuing Operations	(257.7)	(126.4)
Discontinued Operation	(97.2)	-
<b>Net Profit (Loss) After Tax</b>	<b>(355.0)</b>	<b>(126.4)</b>
Attributable to:		
Majority shareholders	(231.9)	(124.3)
Non-controlling shareholders	(123.1)	(2.1)
<b>Net (loss) profit for the period</b>	<b>(355.0)</b>	<b>(126.4)</b>

\* Figures in the Qalaa Holdings' consolidated income statement for the period ended 31 March 2013 do not include the results of select subsidiaries acquired during the month of December 2013.



## Summary of Qalaa Holdings Consolidated Balance Sheet (in EGP mn)

Item	1Q14	FY13
Fixed Assets (net)	16,283.9	16,112.4
Investments	1,864.2	2,093.8
Due from Related Parties	289.5	330.8
Deferred Tax Assets	-	-
Intangible Assets	886.2	877.0
Goodwill	2,978.9	2,984.5
Accounts Receivable	461.4	389.1
Biological Assets	182.1	181.9
Other Assets	582.4	745.2
<b>Total Non-Current Assets</b>	<b>23,528.6</b>	<b>23,714.7</b>
Investments	338.3	215.8
Due from Related Parties	1,020.2	397.8
Inventory	976.9	1,020.3
Other Debit Balances	1,087.9	1,006.0
Other Assets	35.5	58.4
Accounts Receivable	934.0	898.7
Assets Held for Sale	981.2	613.0
Cash & Equivalents	2,275.5	2,113.5
Total Current Assets	7,649.5	6,323.5
<b>Total Assets</b>	<b>31,178.1</b>	<b>30,038.2</b>
Paid in Capital	4,358.1	4,358.1
Reserves	180.1	374.2
Shareholders' Account	3,692.8	2,323.2
Retained Earnings	(3,369.1)	(2,656.1)
Net Profit (Losses) for the Period	(231.9)	(374.7)
Total Attributable Equity	4,630.0	4,024.7
Minority Interest	8,543.2	8,699.1
<b>Total Equity</b>	<b>13,173.2</b>	<b>12,723.7</b>
LT Borrowings	8,734.9	6,783.0
LT Liabilities	160.0	147.6
DTL	71.5	130.7
Due to Related Parties	713.4	524.7
<b>Total Non-Current Liabilities</b>	<b>9,679.8</b>	<b>7,586.0</b>
CPLTD	1,929.2	2,297.6
Due to CCP	181.8	110.8
Overdraft	649.2	834.3
Accounts Payable	2,038.3	3,263.7
Due to Related Parties & Other Credit Balances	2,022.3	2,121.7
Liabilities Held for Sale	1,028.0	623.2
Provisions	476.2	477.2
<b>Total Current Liabilities</b>	<b>8,325.0</b>	<b>9,728.5</b>
<b>Total Equity &amp; Liabilities</b>	<b>31,178.1</b>	<b>30,038.2</b>

**SHAREHOLDER STRUCTURE**  
(as of 31 March 2014)



**Forward Looking Statements**

Statements contained in this Business Review that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Qalaa Holdings. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Certain information contained herein constitutes “targets” or “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “seek,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of Qalaa Holdings may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of Qalaa Holdings is subject to risks and uncertainties.

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**SHAREHOLDERS / ANALYSTS**

Mr. Amr El-Kadi  
Head of Investor Relations  
akadi@qalaaholdings.com  
Tel: +20 2 2791-4440  
Fax: +20 2 2791-4448

Mr. Tamer Darwish  
Investor Relations Officer  
tdarwish@qalaaholdings.com  
Tel: +20 2 2791 4440  
Fax: +20 2 2791-4448  
Mobile: +20 10 6665-9889