Third Quarter 2013 Results

Alexandria, 13th November 2013 – Lecico Egypt (Stock symbols: LECIq.L; LECI LI; LCSW.CA; LECI EY) announces its consolidated results for third quarter of 2013.

Highlights

3Q 2013

- Lecico revenue up 27% to LE 378.0 million (49.2% from sanitary ware)
- Sanitary ware revenue up 24% to LE 186.1 million, driven by a 10% increase in volumes to 1.36 million pieces (58.5% exports)
- Tile revenue up 27% to LE 182.7 million, driven by 15% increase in volumes to 8.39 million square meters (25.2% exports)
- Brassware revenue LE 9.2 million driven by sales volume of 25,831 pieces
- EBIT up 79% to LE 59.3 million, margin up 4.6 percentage pts to 15.7%
- Net profit up 72% to LE 17.5 million, margin up 1.2 percentage pts to 4.6%

9M 2013

- Lecico revenue up 18% to LE 1,109.9 million (50.0% from sanitary ware)
- Sanitary ware revenue up 20% to LE 554.9 million, driven by 12% increase in volumes to 4.25 million pieces (52.4% exports)
- Tile revenue up 13% to LE 523.8 million, driven by 1% increase in volumes to 24.2 million square meters (23.9% exports)
- Brassware revenue LE 31.2 million driven by sales volume of 102,432 pieces
- EBIT up 41% to LE 165.5 million, margin up 2.5 percentage pts to 14.9%
- Net profit up 55% to LE 67.4 million, margin up 1.5 percentage pts to 6.1%

Lecico Egypt Chairman and CEO, Gilbert Gargour, commented "The third quarter continued to deliver strong growth in sales volumes, revenues and profitability over the same period last year in sanitary ware, tiles and brassware. This was our second best quarter in terms of sales, profitability and margins in over two years despite the seasonal effect of Ramadan and political events in Egypt.

“While sales in Egypt continue to be the main driver of growth, this is the first quarter in which we have seen strong growth in exports primarily from the UK and Libya.

"Sales in Egypt and Libya benefitted from the additional capacity of our new tile expansion in the second half which also helped to pull more sanitary ware sales in Egypt and regionally.

"Although our quarterly numbers are continuing to show an accelerating year-on-year improvement, we need to work very hard to return to the profit levels seen in prior years. To achieve this Lecico took the decision to exit our operations in France. Unfortunately, despite the best effort and will of our staff and executives in France and Egypt, we have not been able to rescue this business. This closure will cause a large write off in 2013. In light of the fact that we were unable to find a buyer for Lecico France and are going into bankruptcy we now estimate – in consultation with our external accountants – a write off of around LE 130 million. However, the elimination of our losses in France will vastly improve our cash flows and profitability in years to come. If we take 2012 as an example, not carrying the losses of France will improve our operating profit by LE 15 million and our net profit by LE 20 million."

Taher Gargour, Lecico Egypt MD, added, "The third quarter is seasonally the most challenging for Lecico with Ramadan holidays reducing our productivity significantly and limiting demand in our regional markets. This year the holiday slowdown was compounded by political unrest in Egypt and the introduction of a curfew which effectively prolonged the Ramadan month slow down for an additional several weeks.

"The result of this is a quarter-on-quarter drop in financial performance as expected. However, more positively the results for the quarter show the strongest year-on-year improvement of any quarter this year and remain significantly stronger than the first quarter through the operating profit line despite the impact of Ramadan.

"The Egyptian pound strengthened against the dollar during the quarter on the back of strong financial support for Egypt from some of the Gulf states which resulted in a foreign exchange loss for us in the quarter compared to strong gains in the first two quarters of this year and the third quarter of last year. Despite this I am proud to report our best year-on-year growth in quarterly net profits so far in 2013.

"Our net debt position deteriorated slightly over the course of the quarter as we finalised our capital expenditure on the new tile line. Net debt is still slightly down over the start of the year and we expect this to improve again in the fourth quarter as we benefit from limited capital expenditure and the full utilisation of our new tile line. It is still our goal to continue reducing debt year-on-year which will in due course help us reduce interest expenses to deliver more of our operational growth to our bottom line.

"Although the results in the fourth quarter will be distorted by the impact of exiting our French operations, I am optimistic that our core operations will deliver strong year-on-year improvement excluding these exceptional charges. I am also optimistic that this will continue in the year ahead, assuming that the political change and uncertainty in Egypt and the region do not significantly impact demand in those markets."

Lecico Revenue and Profitability

Profit and loss statement highlights	3Q		%	9M		%
(LE m)	2013	2012	13/12	2013	2012	13/12
Sanitary ware	186.1	149.5	124%	554.9	464.3	120%
Tiles	182.7	143.9	127%	523.8	463.5	113%
Brassware	9.2	5.0	184%	31.2	13.3	234%
Net sales	**378.0**	**298.5**	**127%**	**1,109.9**	**941.2**	**118%**
Sanitary ware/net sales (%)	49.2%	50.1%	(0.9%)	50.0%	49.3%	0.7%
Cost of sales	(268.0)	(219.6)	122%	(791.3)	(686.7)	115%
Cost of sales/net sales (%)	(70.9%)	(73.6%)	(2.7%)	(71.3%)	(73.0%)	(1.7%)
Gross profit	**110.0**	**78.9**	**139%**	**318.6**	**254.5**	**125%**
Gross profit margin (%)	29.1%	26.4%	2.7%	28.7%	27.0%	1.7%
Distribution and administration (D&A)	(53.4)	(42.9)	124%	(155.5)	(130.0)	120%
D&A/net sales (%)	(14.1%)	(14.4%)	(0.3%)	(14.0%)	(13.8%)	0.2%
Net other operating income/ (expense)	2.7	(2.7)	-	2.4	(7.5)	-
Net other operating income/ (expense) net sales (%)	0.7%	(0.9%)	1.6%	0.2%	(0.8%)	1.0%
EBIT	**59.3**	**33.2**	**179%**	**165.5**	**117.0**	**141%**
EBIT margin (%)	15.7%	11.1%	4.6%	14.9%	12.4%	2.5%
Net profit	**17.5**	**10.2**	**172%**	**67.4**	**43.5**	**155%**
Net profit margin (%)	4.6%	3.4%	1.2%	6.1%	4.6%	1.5%

3Q 2013: Revenue growth and improving gross margins in all segments

Lecico saw 27% year-on-year growth in revenues for the quarter driven by revenue growth in all segments on the back of volume growth in Egypt, Lebanon and better average pricing in domestic and export markets.

Sanitary ware sales rose 24% year-on-year on the back of better pricing and a 10% growth in volumes driven by the Egyptian (3%) and export (13%) markets.

Tile sales rose 27% year-on-year driven by 15% increase in volumes mainly Egyptian market (24%).

Gross profit increased by 39% to reach LE 110.0 million. The company's gross profit margin improved 2.7 percentage points to 29.1% with year-on-year improvements in sanitary ware, tiles and brassware.

In absolute terms, distribution and administration (D&A) expenses increased by 24% to LE 53.4 million. Proportional D&A expenses were down 0.3 percentage points to 14.1% of net sales compared to 14.4% in the third quarter of 2012.

The Company also reported LE 2.7 million in net other operating income compared to LE 2.7 million in net other operating expenses in the same period last year.

EBIT increased by 79% to reach LE 59.3 million for the quarter with the EBIT margin increasing 4.6 percentage points year-on-year to 15.7% compared to 11.1% in the third quarter of 2012.

Financing expenses were up 61% year-on-year during the third quarter of 2013 to reach LE 33.1 million compared to the same period in 2012 as a result of LE 4.6 million in foreign exchange loss in the quarter compared to an LE 2.9 million foreign exchange gain in the third quarter of 2012. By excluding foreign exchange effect from third quarter financing expenses were up 22% instead of 61%.

As a result of strong operational improvement and growth in margins, profits before taxes and minorities (PBTM) increased 87% year-on-year to reach LE 26.5 million with the margin increasing 2.2 percentage points to 7.0%.

Lecico recorded a tax for the quarter of LE 2.0 million due to deferred tax charged to some subsidiaries.

Employee profit participation increased by 56% to reach LE 6.6 million. As mentioned in the last newsletter, this increased rate of employee profit participation reflects the increases in pay and profit participation accorded to our staff over the past few years and is expected to increase with salary increases in the future. Compared quarter on quarter the amount is unchanged.

Net profit increased 71% year-on-year to reach LE 17.5 million with the net margin improving 1.2 percentage points to reach 4.6% compared to 3.4% in the same period last year.

9M 2013: Increased sales and improved gross margin drive net profit growth

Revenue was up 18% year-on-year in the nine months of 2013 to reach LE 1,109.9 million with growth in revenues for all segments.

Gross profit rose 25% to reach LE 318.6 million and the gross profit margin improved by 1.7 percentage points year-on-year to reach 28.7%. Sanitary ware, tiles and brassware all showed improvement in margins with better pricing offsetting higher production costs.

In absolute terms, distribution and administration (D&A) expenses increased by 20% to LE 155.5 million, proportional D&A expenses up 0.2 percentage points to 14.0% of net sales compared to 13.8% in the nine month of 2012.

Net other operating expense was an LE 2.4 million income compared to a LE 7.5 million expenses in the same period last year due to the capital gains resulted from the sale of land in Cairo amounting to LE 4.2 million. This land was initially purchased to develop as a showroom and represents a one-off exceptional gain.

EBIT rose 41% year-on-year to reach LE 165.5 million for the first nine months of 2013, with the EBIT margin up 2.5 percentage points at 14.9% compared to 12.4% for the same period of 2012.

Net financing expenses up 9 % year-on-year during the first nine months of 2013 to reach LE 69.1 million compared to LE 63.4 million despite LE 9.8 million in foreign exchange gain compared to LE 2.1 million gain in the same period of 2012.

Net profit was up by 55% to reach LE 67.4 million, with the net profit margin increasing 1.5 percentage points to 6.1%, compared with 4.6% in the same period last year.

Segmental analysis

Sanitary ware

3Q: Sanitary ware sales volume increased by 10% or 118,000 pieces to 1.36 million pieces. The increase in volumes came from growth in exports, primarily from UK and Libyan markets.

Average sanitary ware prices were up 14% year-on-year to LE 137.1 per piece as a result of the price increases in Egypt and export markets over the course of the year.

Revenues rose 24% year-on-year at LE 186.1 million. Exports represented 58.5% of volumes compared to 57.4% in the third quarter of 2012.

Average cost was up 9% at LE 106.0 per piece reflecting higher labour costs as of July and the impact of lower productivity in Ramadan.

Sanitary ware gross profit margin rose 3 percentage points to reach 22.7% and gross profits rose 44% to LE 42.2 million.

Sanitary ware segmental analysis	3Q		%	9M		%
	2013	2012	13/12	2013	2012	13/12
Sanitary ware volumes (000 pcs)						
Egypt (000 pcs)	511	496	103%	1,849	1,491	124%
Lebanon (000 pcs)	52	32	163%	171	157	109%
Export (000 pcs)	794	711	112%	2,228	2,155	103%
Total sanitary ware volumes (000 pcs)	**1,357**	**1,239**	**110%**	**4,248**	**3,803**	**112%**
Exports/total sales volume (%)	58.5%	57.4%	1.1%	52.4%	56.7%	(4.3%)
Sanitary ware revenue (LE m)	**186.1**	**149.5**	**124%**	**554.9**	**464.3**	**120%**
Average selling price (LE/pc)	137.1	120.7	114%	130.6	122.1	107%
Average cost per piece (LE/pc)	106.0	96.9	109%	102.8	97.6	105%
Sanitary ware cost of sales	(143.9)	(120.1)	120%	(436.8)	(371.3)	118%
Sanitary ware gross profit	42.2	29.4	144%	118.1	93.0	127%
Sanitary ware gross profit margin (%)	22.7%	19.7%	3.0%	21.3%	20.0%	1.3%

9M: Sanitary ware sales volume increased by 12% or 445,000 pieces to 4.25 million pieces as a direct result of the increase demand in Egypt (358,000 pieces) and export (73,000 pieces).

Average sanitary ware prices up 7% year-on-year to LE 130.6 per piece.

Revenues were up 20% year-on-year at LE 554.9 million. Exports represented 52.4% of volumes compared to 56.7% in the first nine months of 2012.

Average cost was up 5% year-on-year at LE 102.8 per piece.

Sanitary ware gross profit margins increased by 1.3 percentage point's year-on-year in the first nine months to reach 21.3% and gross profits increased by 27% to LE 118.1 million.

Tiles

3Q: Tile sales volumes were up 15% year-on-year in the third quarter of 2013, to reach 8.4 million square meters.

Average net prices were up 10% at LE 21.8 per square meter.

Tiles revenues rose 27% year-on-year to LE 182.7 million.

Average costs rose 7% year-on-year to reach LE 14.0 per square meter.

Tile gross profit margins improved by 1.9 percentage points to reach 35.5% and gross profit for the quarter rose 34% year-on-year to reach LE 64.9 million.

Tile segmental analysis	3Q		%	9M		%
	2013	2012	13/12	2013	2012	13/12
Tile volumes (000 sqm)						
Egypt (000 sqm)	5,898	4,769	124%	16,961	15,712	108%
Lebanon (000 sqm)	378	482	78%	1,497	1,201	125%
Export (000 sqm)	2,116	2,050	103%	5,785	6,994	83%
Total tile volumes (000 sqm)	**8,392**	**7,301**	**115%**	**24,243**	**23,907**	**101%**
Exports/total sales volume (%)	25.2%	28.1%	(2.9%)	23.9%	29.3%	(5.4%)
Tile revenue (LE m)	**182.7**	**143.9**	**127%**	**523.8**	**463.5**	**113%**
Average selling price (LE/sqm)	21.8	19.7	110%	21.6	19.4	111%
Average cost per sqm (LE/sqm)	14.0	13.1	107%	13.7	12.7	107%
Tile cost of sales	(117.8)	(95.6)	123%	(331.2)	(303.9)	109%
Tile gross profit	64.9	48.3	134%	192.6	159.6	121%
Tile gross profit margin (%)	35.5%	33.6%	1.9%	36.8%	34.4%	2.4%

9M: Tile sales volumes were up 1% in the first nine months of 2013 to 24.24 million square meters compared to 23.9 million square meters for the same period last year. Average net prices were up 11% year-on-year to reach LE 21.6 per square meter.

Tiles revenues rose 13% year-on-year to LE 523.8 million.

Average cost per square meter increased 7% to reach LE 13.7 per square meter.

Tile gross profit margins rose 2.4 percentage points to 36.8% and gross profits were up 21% year-on-year at LE 192.6 million.

Brassware

3Q: Sales volumes for third quarter rose 14% to reach 25,831 pieces compared to 22,600 pieces in third quarter of 2012. This growth in revenues shows improved retail and project penetration since the start of the year.

Average net prices rose 61% to reach LE 356.8 per piece due to product mix shift towards higher price and margin products for a number of prestigious projects.

Revenue for the quarter rose 84% year-on-year to reach LE 9.2 million.

Average cost per piece up 41% to LE 242.4 per piece reflecting changes in product mix.

Gross profit margins rose 9.4 percentage points to 32.1% and gross profits reached LE 3.0 million for the quarter.

9M: Sales volume for first nine months rose 101% to 102,432 pieces.
Average prices rose 17% to LE 304.4 per piece and revenue rose 134% to reach LE 31.2 million.

Average cost per piece rose 1% to reach LE 227.3 per piece.

The gross margin rose 11.4 basis points to 25.3% and gross profits for the first nine months reached LE 7.9 million.

Brassware segmental analysis	3Q		%	9M		%
	2013	2012	13/12	2013	2012	13/12
Brassware volumes (pcs)						
Egypt (pcs)	23,121	22,362	103%	94,990	50,361	189%
Export (pcs)	2,710	238	-	7,442	590	-
Total brassware volumes (pcs)	**25,831**	**22,600**	**114%**	**102,432**	**50,951**	**201%**
Exports/total sales volume (%)	10.5%	1.1%	9.4%	7.3%	1.2%	6.1%
Brassware revenue (LE m)	**9.2**	**5.0**	**184%**	**31.2**	**13.3**	**234%**
Average selling price (LE/pc)	356.8	222.0	161%	304.4	261.0	117%
Average cost per piece (LE/pc)	242.4	171.5	141%	227.3	224.7	101%
Brassware cost of sales	(6.3)	(3.9)	161%	(23.3)	(11.4)	203%
Brassware ware gross profit	3.0	1.1	259%	7.9	1.9	426%
Brassware gross profit margin (%)	32.1%	22.7%	9.4%	25.3%	13.9%	11.4%

Financial position

The value of Lecico’s assets increased 17% at the end of September 30, 2013 to reach LE 2,365.7 million. Total liabilities were up 24% at LE 1,452.4 million. Net debt to equity improved 6% to reach 0.69x compared to 0.74 times at end of 2012 and net debt was reduced 1% to LE 627.6 million compared to LE 632.9 million at the end of 2012.

Recent developments and outlook

LE 130m Lecico France bankruptcy write-off will improve results from 2014 – Lecico Egypt, in reference to its press release dated 21 October 2013, has confirmed that Lecico France has been unable to find a buyer for its companies on a going-concern basis and will therefore proceed with bankruptcy proceedings of all its companies, consisting of Lecico France, Lecico Distribution and Sarreguemines Bâtiment. Negotiations will continue with third parties to buy and continue the businesses under terms to be agreed with creditors.

Lecico France is the parent of Sarreguemines Batiment, an industrial business, which manufactures branded Fine Fire Clay products. It is also the parent of Lecico Distribution, a commercial business, which distributes the manufactured product as well as products imported from Egypt, and to a lesser degree outsourced from China.

Since Lecico bought Sarreguemines Batiment out of bankruptcy in 2006, the business has continued to suffer significant losses. Several management changes and restructuring actions have significantly reduced costs but without restoring profitability as difficult market conditions have eroded sales volumes partially offsetting the cost savings.

Given the continued difficulties in France and the relative uncertainty of the situation in Egypt, which has restricted the ability of Lecico to fund the operations with the necessary foreign currencies, Lecico is not in a position to support these operations any longer.

Sustained efforts have been undertaken for the past several months to overcome the problem, which included identifying investors able to take over the business.

On October 31, 2013 Lecico France and its subsidiaries started the process of bankruptcy proceedings of all its companies, consisting of Lecico France, Lecico Distribution and Sarreguemines Bâtiment. Lecico France and its subsidiaries therefore officially declared 'Cessation de Paiement' and filed with the 'Tribunal de Commerce' to approve the commencement of reorganization proceedings (Redressement Judiciaire) under the management of a court appointed administrator. The works' council of the French entities has been duly informed and consulted in respect of the process. Lecico France, Lecico Distribution and Sarreguemines Bâtiment will continue to trade during this period. Upon receipt of the approval from the Tribunal de Commerce, Lecico surrendered the management of these companies to the administrator appointed by the court. Ownership of these companies and balances due from them will be written-off. Management, in consultation with its external accountants, now estimates that the total write-off will be approximately LE 130 million upon finalization of the formalities.

The objective of Lecico, in these difficult times, has been to reduce overall risks at the cost of a significant write-off. However, there would be a positive effect on earnings in future years by excluding the losses in Lecico France. Based on 2012 results, this would be an annual improvement of around LE 15 million in operating profits and LE 20 million in net profits.

Outlook for 2013 and 2014: The third quarter showed solid growth despite political instability in Egypt. Overall demand for Lecico products has been very strong in Egypt and across the Middle East while growth in Lecico-branded sales in the UK has helped offset shrinking sales across the rest of Europe and in our OEM business. All indications are that this strong demand will continue in the fourth quarter and into next year. However, ongoing political events in Egypt and the region and the continued economic uncertainty and weakness across Europe remain a risk to the company's activities.

Lecico hopes to see a significant growth in tile sales volumes and revenues in the last quarter of the year and in 2014 with the full utilization of the last tile expansion in its Borg El-Arab tile plant which became fully operational in the second half of the year.

On the cost side, the company is confident that it can realize significant economies of scale in all segments in this benign demand scenario and is confident that the efficiency of its sanitary ware unit will continue to improve over the rest of the year and in 2014 as our product rationalization and focus on simplifying production continue to yield results.

However, these improvements in production will be partially offset by cost inflation pressures with increases in energy costs likely and expected continued inflation on inputs and services combined with higher financing costs and higher tax rates as the government in Egypt continues to try to manage a slowing economy while improving and expanding social welfare programs.

Despite the political and economic challenges faced by most of Lecico’s markets in 2013, the company has seen a good improvement in demand and profitability compared to 2012 and this trend looks likely to continue over the remainder of the year.

Lecico’s exit from operations in France – and the subsequent shedding of the losses from that business – will significantly reduce costs in 2014 after a significant write-off in the 4th quarter which is expected to result in a loss for 2013 as a whole.

The business expects to continue to grow revenues and margins year-on-year in 2014. However, this positive outlook for Lecico’s performance in the months ahead is not without risk as political and economic uncertainty looks likely to remain a feature of most of the company’s markets for the foreseeable future.

About Lecico

Lecico (Stock symbols: LECIq.L; LECI LI; LCSW.CA; LECI EY) is a leading producer of export-quality sanitary ware in the Middle East and one of the largest tile producers in Egypt and Lebanon, with over 50 years of experience in the industry and decades of experience as an exporter to developed markets.

Lecico benefits from significant cost advantages in labour, energy and investment costs resulting from its economies of scale and location in Egypt and Lebanon. Lecico's marketing strategy is to use its cost advantages to target the mass market with high quality pieces at competitive prices.

Lecico exports over half its sanitary ware production and has a significant presence in the United Kingdom and other European markets. Most of the Company's exports are done under the Lecico brand, although it also produces for a number of leading European brands.

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Forward-looking statements

This release may contain certain "forward-looking statements", relating to the Company's business, which can be identified by the use of forward-looking terminology such as "will", "planned", "expectations", "forecast" or similar expressions, or by discussions of strategy, plans or intentions. Such statements may include descriptions of investments planned or currently under development by the company and the anticipated impact of these investments. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results that may be expressed or implied by such forward-looking statements.

Lecico Egypt consolidated income statement

Income statement	3Q		%	9M		%
(LE m)	2013	2012	13/12	2013	2012	13/12
Net sales	**378.0**	**298.5**	**127%**	**1,109.9**	**941.2**	**118%**
Cost of sales	(268.0)	(219.6)	122%	(791.3)	(686.7)	115%
Gross profit	**110.0**	**78.9**	**139%**	**318.6**	**254.5**	**125%**
Gross margin (%)	29.1%	26.4%	2.7%	28.7%	27.0%	1.7%
Distribution expenses	(18.1)	(16.6)	109%	(56.1)	(51.0)	110%
Administrative expenses	(35.2)	(26.3)	134%	(99.5)	(78.9)	126%
Other Operating income	3.5	0.4	852%	13.2	3.8	345%
Other Operating expenses	(0.8)	(3.1)	24%	(10.8)	(11.3)	95%
Operating profit (EBIT)	**59.3**	**33.2**	**179%**	**165.5**	**117.0**	**141%**
Operating (EBIT) margin (%)	15.7%	11.1%	4.6%	14.9%	12.4%	2.5%
Investment revenues	(0.2)	0.0	-	3.3	3.3	99%
Finance income	0.5	1.6	28%	1.5	5.1	29%
Finance expense	(33.1)	(20.5)	161%	(70.6)	(68.5)	103%
Profits before tax and minority (PBTM)	**26.5**	**14.2**	**187%**	**99.6**	**56.9**	**175%**
PBTM margin (%)	7.0%	4.8%	2.2%	9.0%	6.0%	2.9%
Income tax	(1.5)	(1.6)	94%	(11.3)	(8.7)	129%
Deferred tax	(0.5)	1.6	-	(1.4)	4.8	-
Net Profit after tax (NPAT)	**24.5**	**14.2**	**172%**	**87.0**	**53.0**	**164%**
NPAT margin (%)	6.5%	4.7%	1.8%	7.8%	5.6%	2.2%
Employee profit participation	(6.6)	(4.2)	156%	(19.7)	(10.5)	188%
Net profit before minority interest	**18.0**	**10.0**	**179%**	**67.3**	**42.5**	**158%**
Minority interest	(0.5)	0.2	-	0.1	1.0	14%
Net Profit	**17.5**	**10.2**	**172%**	**67.4**	**43.5**	**155%**
Net profit margin (%)	4.6%	3.4%	1.2%	6.1%	4.6%	1.5%

Lecico Egypt consolidated balance sheet

Balance Sheet (LE m)	30-Sep-13	31-Dec-12	9M13/FY12 (%)
Cash and short-term investments	384.2	212.7	181%
Inventory	660.3	576.1	115%
Receivables	393.0	341.3	115%
Related parties -debit balances	90.2	70.4	128%
Total current assets	**1,527.7**	**1,200.5**	**127%**
Net fixed assets	719.9	732.2	98%
Intangible assets	24.8	24.3	102%
Prepaid long-term rent	0.9	1.1	84%
Projects in progress	40.8	41.7	98%
Available for sale investments	5.3	4.8	110%
Long-term notes receivable	46.4	25.8	180%
Total non-current assets	**838.0**	**829.9**	**101%**
Total assets	**2,365.7**	**2,030.5**	**117%**
Banks overdraft	939.3	755.4	124%
Current portion of long-term liabilities	25.4	25.5	100%
Trade and notes payable	140.0	131.4	107%
Other current payable	207.1	105.2	197%
Related parties -credit balances	12.6	0.9	1400%
Provisions	42.7	51.8	82%
Total current liabilities	**1,367.1**	**1070.2**	**128%**
Long-term loans	47.1	64.7	73%
Other long-term liabilities	1.7	1.7	100%
Provisions	14.9	12.8	116%
Deferred tax	21.7	20.3	107%
Total non-current liabilities	**85.3**	**99.5**	**86%**
Total liabilities	**1,452.4**	**1,169.7**	**124%**
Minority interest	**2.6**	**1.5**	**175%**
Issued capital	400.0	400.0	100%
Reserves	349.2	321.2	109%
Retained earnings	94.1	75.3	125%
Net profit for the year	67.4	62.8	107%
Total equity	**910.7**	**859.3**	**106%**
Total equity, minorities and liabilities	**2,365.7**	**2,030.5**	**117%**

Lecico Egypt consolidated cash flow

Cash flow statement	9M		%
(LE m)	2013	2012	13/12
Cash Flow from operating activities			
Net profit for the period	67.4	43.5	155%
Depreciation and translation adjustment	69.5	68.0	102%
Intangible assets amortisation and translation adjustment	(0.4)	0.0	-
Income tax expense	11.3	8.7	130%
Income tax paid	(4.4)	(9.2)	47%
Deferred income tax	1.4	(4.8)	-
Prepaid rent expense	0.2	0.2	90%
Capital gains	(4.2)	(0.1)	-
Provided provisions and translation adjustment	8.3	4.8	171%
Impairment of inventory	0.0	3.2	-
Reversal of expired provision	(5.9)	(2.0)	294%
Employee share in net profit	19.7	10.5	188%
Increase (Decrease) in minority interest	1.1	2.8	39%
Increase (Decrease) in translation reserve	24.0	(4.5)	-
(Increase) Decrease in Inventory	(85.1)	(18.0)	-
(Increase) Decrease in Receivables	(74.3)	(74.1)	100%
Increase (Decrease) in Payables	110.9	100.9	110%
Utilised Provisions	(5.7)	(10.1)	57%
Increase (Decrease) in Other Long Term Liabilities	(0.0)	(31.3)	-
(Payments) / Received for acquiring current investment	(3.6)	16.5	-
Difference result from discounting of long term notes receivables	3.4	(1.6)	-
Net cash from operating activities	**133.6**	**103.2**	**129%**
Cash flow from investing activities			
Additions to fixed assets and projects	(74.0)	(38.6)	192%
Intangible assets	(0.1)	(0.0)	713%
Net change in available for sale investments	(0.4)	(0.1)	786%
Proceeds from sales of fixed assets	22.0	0.1	-
Increase (Decrease) in long-term notes receivable	(24.0)	9.5	-
Net cash from investing activities	**(76.6)**	**(29.0)**	**264%**
Cash flow from financing activities			
Increase (Decrease) in long-term loans	(17.6)	(17.6)	100%
Increase (Decrease) in current portion of long term liabilities	(0.1)	5.8	-
Dividends paid	(55.3)	(12.6)	439%
Net cash from financing activities	**(73.0)**	**(24.4)**	**299%**
Net change in cash & cash equivalent during the period	**(16.0)**	**49.8**	**-**
Net cash and cash equivalent at beginning of the period	(599.7)	(634.9)	94%
Net cash and cash equivalent at the end of the period	**(615.7)**	**(585.1)**	**105%**