Second Quarter 2011 Results

Alexandria, 15th August 2011 – Lecico Egypt (Stock symbols: LECIq.L; LECI LI; LCSW.CA; LECI EY) announces its consolidated results for second quarter of 2011.

Highlights

2Q 2011

- Lecico revenue down 2% to LE 249.7 million (58.0% from sanitary ware)
- Sanitary ware revenue up 4% to LE 144.8 million, with volumes down by 17% to 1.1 million pieces (49.3% exports)
- Tile revenue down 12% to LE 102.3 million, driven by a 7% decrease in volumes to 5.7 million square meters (11.4% exports)
- Brassware revenue LE 2.6 million driven by sales volume of 8,085 pieces.
- EBIT down 42% to LE 29.2 million, margin down 8.1 percentage pts to 11.7%
- Net profit down 80% to LE 5.1 million, margin down 8.1 percentage pts to 2.0%

1H 2011

- Lecico revenue down 11% to LE 465.2 million (58.1% from sanitary ware)
- Sanitary ware revenue down 10% to LE 270.4 million, driven by 22% decrease in volumes to 2.1 million pieces (56.9% exports)
- Tile revenue down 15% to LE 190.3 million, driven by decrease in volumes by 13% to 10.6 million square meters (14.4% exports)
- Brassware revenue LE 4.5 million driven by sales volume of 14,100 pieces.
- EBIT down 40% to LE 58.8 million, margin down 6.1 percentage pts to 12.6%
- Net profit down 67% to LE 17.6 million, margin down 6.2 percentage pt to 3.8%

Lecico Egypt Chairman and CEO, Gilbert Gargour, commented: "This is shaping up to be one of the most challenging years in Lecico's recent history. Egypt and the entire region are going through seismic changes with results that are impossible to predict for the moment, however confident we are and remain as to the medium term.

"Demand for our traditional products in Egypt has been resilient so far, given the political uncertainties. However, we have to be prepared for the possibility that this may change as people's desire for change becomes increasingly more vocal especially as we approach elections. A situation that has and may continue to increase general costs: inflation compounded by business disruptions as well as a visible reluctance of decision makers to exercise power or make any commitments. In our case this was clearly shown when we had to face down the 9-day strike in our Khorshid facilities at the end of July.

"At the same time, almost all our major traditional markets here and abroad are facing economic or political problems which are badly affecting demand.

"To compensate for these lower sales and fully utilize all our capacity, your company is engaged in a major new effort to develop new markets. The company has never before had such a high level of experimentation and renewal. While this is useful and indeed necessary, it has the consequence of substantially increasing manufacturing complexity, reducing capacity and increasing unit costs.

"As a result of weaker demand for our established products and complexity coming from offsetting this with new products, our production has reversed some of our economies of scale and increased our unit costs.

"Given all the above and additional costs including higher interest rates and a new corporate tax rate retroactively applied, we expect that 2011 will be our worst financially since coming to the market in 2004.

Elie Baroudi, Lecico Egypt MD, added, "At the end of the first quarter I identified our objectives for this year as recovering lost sales volumes and improving pricing and cost control to offset expected cost inflation.

"We have had some success in this respect in the second quarter with sales volumes growing quarter-on-quarter in all segments despite difficult operating conditions. I am optimistic that we will add more incremental new business in the second half coming from tile exports regionally and from new European sanitary ware markets. Hopefully this will more than offset continued slowness in our existing markets and some of the risks to demand in Egypt.

"We also had some success in the second quarter further improving pricing in our sanitary ware segment and this delivered a quarter-on-quarter and year-on-year improvement in gross profits despite rising costs and lower margins in the segment. In tiles I am hopeful that our domestic price increases in July will help offset some of the cost inflation we have experienced to date this year and the additional capacity from our new plant should increase our economies of scale reducing some of the cost inflation pressure on the segment as the second half develops.

"We will be working to improve efficiencies and trying to proportionally reduce overhead despite inflationary pressures from a continuing weakening of the pound. We hope that this combination of price increases and continued cost control will help us to alleviate some of the impact of cost inflation and weakness in demand over the rest of this year."

Lecico Revenue and Profitability

Profit and loss statement highlights	2Q		%	1H		%
(LE m)	2011	2010	11/10	2011	2010	11/10
Sanitary ware	144.8	139.9	104%	270.4	301.5	90%
Tiles	102.3	115.8	88%	190.3	223.7	85%
Brassware	2.6	0.0	0%	4.5	-	0%
Net sales	**249.7**	**255.7**	**98%**	**465.2**	**525.2**	**89%**
Sanitary ware/net sales (%)	58.0%	54.7%	3.3%	58.1%	57.4%	0.7%
Cost of sales	(176.7)	(164.5)	107%	(321.9)	(340.6)	95%
Cost of sales/net sales (%)	(70.8%)	(64.3%)	6.4%	(69.2%)	(64.9%)	4.3%
Gross profit	**73.0**	**91.1**	**80%**	**143.3**	**184.6**	**78%**
Gross profit margin (%)	29.2%	35.6%	(6.4%)	30.8%	35.1%	(4.3%)
Distribution and administration (D&A)	(42.7)	(41.3)	103%	(81.7)	(85.8)	95%
D&A/net sales (%)	(17.1%)	(16.2%)	0.9%	(17.6%)	(16.3%)	1.2%
Net other operating income/ (expense)	(1.2)	0.9	(133%)	(2.7)	(0.7)	386%
Net other operating income/ (expense) net sales (%)	(0.5%)	0.4%	(0.8%)	(0.6%)	(0.1%)	(0.4%)
EBIT	**29.2**	**50.7**	**58%**	**58.8**	**98.1**	**60%**
EBIT margin (%)	11.7%	19.8%	(8.1%)	12.6%	18.7%	(6.0%)
Net profit	**5.1**	**25.7**	**20%**	**17.6**	**52.6**	**33%**
Net profit margin (%)	2.0%	10.1%	(8.1%)	3.8%	10.0%	(6.2%)

2Q 2011: Lower sales volumes and cost inflation drive down profits

Lecico has continued to face an extremely challenging operating environment in the second quarter with demand from the company's main regional and European exports remaining weak and significant erosion in margins as a result of reduced economies of scale, increases in energy prices and salaries and a general inflation in goods and service inputs to production as a result of the ongoing political and economic instability in Egypt.

Revenue decreased 2% year-on-year in the second quarter to reach LE 249.7 million. The drop in sales was due to a 17% decrease in sanitary ware volumes and a 7% decrease in tile square meters, largely as a result of political upheavals in Egypt and Libya, continued demand weakness across Europe primarily in the UK and France and lower local pricing as a result of sales incentives offered to Egyptian distributors.

Libya, Lecico's largest regional export market, has effectively been closed since mid-February due to political instability and conflict in the country. In 2Q 2010, Libya accounted for 5.3% and 16% of the company's sanitary ware and tile sales volumes respectively.

In the second quarter, Lecico continued to offer a 5% additional discount in both tile and sanitary ware to its Egyptian distributors to encourage local sales in the difficult current environment. This step helped minimize the drop in sales volumes for both segments but eroded much of the local price gains made over 2010. The effect of this reduction was particularly acute on our tile segment since 89% of segmental sales in the quarter were in Egypt. From July onwards Lecico has raised local prices for both sanitary ware and tiles by approximately 7% and 3% respectively.

Gross profit decreased by 20% to reach LE 73.0 million, gross profit margin was down 6.4 percentage point's year-on-year at 29.2%. The decrease in gross profit was mainly attributed to the decrease in sales and production volumes which reduced the company's economies of scale in addition to lower local prices and increased labour and energy costs.

Lecico's labour settlement following the two-day strike in February increased labour costs by approximately 27% (increasing cost of sales by just under 5%) from February onwards.

In comparison to the second quarter of 2010, Lecico's margins were also impacted by the energy price increases effective 1 July 2010. For Lecico, this translated into an approximately 33% increase in the cost of energy with natural gas at an average of US$ 2.2/mbtu and electricity at LE 0.25 per KWH. The total annualized effect of these energy price increases is expected to be around LE 10 million in additional costs.

In absolute terms, D&A expenses increased by 3% to LE 42.7 million year-on-year on the back of effect of a weaker Egyptian pound. Proportional distribution and administration (D&A) expenses were up 0.9 percentage points to 17.1% of net sales compared to 16.2% in the second quarter of 2010.

EBIT fell by 42% year-on-year to reach LE 29.2 million for the second quarter of 2011 as a result of the drop in gross profits, with the EBIT margin decreasing 8.1 percentage points to 11.7% compared to 19.8% in the second quarter of 2010.

Financing expenses were down 3% year-on-year during the second quarter of 2011 to reach LE 16.7 million compared to LE 17.3 million for the same period in 2010.

Lecico's tax charges for the quarter were LE 8.5 million versus LE 7.2 million for the same period last year and included LE 5.4 million in additional deferred taxes due to the increase in tax rates from 20% to 25% retroactive to January 1, 2011.

Net profit fell by 80% to reach LE 5.1 million, with the net profit margin decreasing 8.1 percentage points to 2.0%, compared with 10.1% in the same period last year.

1H 2011: Domestic political disruption, weak export markets and cost inflation

Revenue was down 11% year-on-year in the second half to reach LE 465.2 million. This was driven by a decrease in sanitary ware and tile revenues and volumes. The drop in sales volumes is a direct result of the significant disruption to Lecico's operations in the first quarter as a result of the revolution in Egypt, additional discounts in the Egyptian market, the virtual closure of the Libyan market since mid-February and demand weakness across Europe primarily in the UK and France, Lecico's two largest European export markets.

Gross profit fell by 22% to reach LE 143.3 million, while the gross profit margin fell 4.3 percentage points year-on-year at 30.8%. The decline in gross profit was mainly attributed to the reduction in sanitary ware and tile sales and production volumes, the increase in production costs and the impact of lower domestic prices.

In absolute terms, distribution and administration (D&A) expenses decreased by 5% to LE 81.7 million despite a weaker Egyptian pound inflating the D&A expenses of Lecico's foreign subsidiaries in EGP terms. The decrease came from continued cost saving initiatives undertaken by management. However, as a result of lower sales, proportional D&A expenses rose 1.2 percentage points to 17.6% of net sales compared to 16.3% in the second half of 2010.

Net other operating expense was LE 2.8 million compared to a LE 0.7 million in the same period last year.

EBIT fell 40% year-on-year to reach LE 58.8 million for the first half of 2011, with the EBIT margin down 6.0 percentage points at 12.6%.

Net financing expenses were down 6% year-on-year during the first half of 2011 to reach LE 25.0 million. Interest income was flat at LE 3.2 million in the first half and finance expenses were down 6% at LE 28.2 million, reflecting higher bank charges on growing debt balances offset by a LE 4.3 million in foreign exchange gains during the first half compared to LE 8.6 million in losses during the same period in 2010.

Lecico's tax charges for the first half were LE 12.6 million versus LE 14.6 million for the same period last year and included LE 5.4 million in additional deferred taxes due to the increase in tax rates from 20% to 25% retroactive to January 1, 2011.

Net profit was down by 67% to reach LE 17.6 million, with the net profit margin decreasing 6.2 percentage points to 3.8%, compared with 10.0% in the same period last year.

Segmental analysis

Sanitary ware

2Q: Sanitary ware sales volume decreased by 17% or 225,000 pieces to 1.08 million pieces. The decline in volumes came primarily from the drop in demand in Egypt and Libya due to political upheaval and weaker exports to Lecico's main European markets.

Sales in Egypt were down 13% or 67,000 pieces year-on-year, while exports to Libya completely halted and exports to Europe were down 26% or 188,000 pieces.

Average sanitary ware prices were up 25% year-on-year to LE 134.0 per piece, as a result of better export pricing on the back of increases done over 2010 and the benefit of the weaker Egyptian pound.

Revenues rose 4% year-on-year at LE 144.8 million. Exports represented 49.3% of volumes compared to 55.2% in the first quarter of 2010.

Average cost was up 22% year-on-year at LE 94.4 per piece primarily as a result of lower production volumes reducing economies of scale and increases in energy prices and salaries.

Sanitary ware gross profit margin fell 1.7 percentage points to reach 29.6% while gross profits rose 10% to LE 42.8 million due to the effect of higher average selling price.

Sanitary ware segmental analysis	2Q		%	1H		%
	2011	2010	11/10	2011	2010	11/10
Sanitary ware volumes (000 pcs)						
Egypt (000 pcs)	460	527	87%	777	1,038	75%
Lebanon (000 pcs)	88	58	152%	133	104	128%
Export (000 pcs)	533	721	74%	1,199	1,564	77%
Total sanitary ware volumes (000 pcs)	**1,081**	**1,306**	**83%**	**2,109**	**2,706**	**78%**
Exports/total sales volume (%)	49.3%	55.2%	(5.9%)	56.9%	57.8%	(0.9%)
Sanitary ware revenue (LE m)	**144.8**	**139.9**	**104%**	**270.4**	**301.5**	**90%**
Average selling price (LE/pc)	134.0	107.1	125%	128.2	111.4	115%
Average cost per piece (LE/pc)	94.4	77.3	122%	89.6	79.3	113%
Sanitary ware cost of sales	(102.0)	(100.9)	101%	(188.9)	(214.5)	88%
Sanitary ware gross profit	42.8	39.0	110%	81.5	87.0	94%
Sanitary ware gross profit margin (%)	29.6%	27.9%	1.7%	30.1%	28.9%	1.2%

1H: Sanitary ware sales volume decreased by 22% or 597,000 pieces to 2.1 million pieces as a direct result of the significant disruption to Lecico's operations in the first quarter as a result of the revolution in Egypt, the virtual closure of the Libyan market since mid-February and demand weakness across Europe.

Revenues were down 10% year-on-year at LE 270.4 million. Exports represented 56.9% of volumes compared to 57.8% in the first half of 2010.

Average sanitary ware prices were up 15% year-on-year to LE 128.2 per piece, largely as a result of the effect of a weaker Egyptian pound on export prices.

Average cost was up 13% year-on-year at LE 89.6 per piece.

Sanitary ware gross profit margins increased by 1.2 percentage point's year-on-year in the first half to reach 30.1% but gross profits decreased by 6% to LE 81.5 million.

Tiles

2Q: Tile sales volumes were down 7% year-on-year in the second quarter of 2011, to reach 5.7 million square meters as a result of weaker demand in Lebanon and Libya offset by strong demand in Egypt. Tile exports accounted for 11.4% of sales volumes in the quarter compared to 23.5% in the same period in 2010.

Average net prices were down 5% at LE 18.0 per square meter reflecting the drop in higher value tile exports and a reduction in net prices in Egypt as a result of a 5% increase in distributor discounts to encourage domestic sales.

Tiles revenues fell 12% year-on-year to LE 102.3 million in the second quarter of 2011.

Average costs rose 24% year-on-year to reach LE 12.9 per square meter as a result of lower production volumes reducing economies of scale and increases in energy prices and salaries.

Tile gross profit margins fell by 16.8 percentage points to reach 28.3% and gross profit for the quarter were down 45.1% year-on-year at LE 28.9 million.

Tile segmental analysis	2Q		%	1H		%
	2011	2010	11/10	2011	2010	11/10
Tile volumes (000 sqm)						
Egypt (000 sqm)	4,548	3,997	114%	8,076	8,132	99%
Lebanon (000 sqm)	485	684	71%	981	1,239	79%
Export (000 sqm)	650	1,438	45%	1,529	2,780	55%
Total tile volumes (000 sqm)	**5,683**	**6,119**	**93%**	**10,586**	**12,151**	**87%**
Exports/total sales volume (%)	11.4%	23.5%	(12.1%)	14.4%	22.9%	(8.5%)
Tile revenue (LE m)	**102.3**	**115.8**	**88%**	**190.3**	**223.7**	**85%**
Average selling price (LE/sqm)	18.0	18.9	95%	18.0	18.4	98%
Average cost per sqm (LE/sqm)	12.9	10.4	124%	12.4	10.4	119%
Tile cost of sales	(73.4)	(63.6)	115%	(131.1)	(126.1)	104%
Tile gross profit	28.9	52.2	55%	59.2	97.6	61%
Tile gross profit margin (%)	28.3%	45.1%	(16.8%)	31.1%	43.6%	(12.5%)

1H: Tile sales volumes fell 13% in the first half of 2011 to 10.6 million square meters as a direct result of the significant disruption to Lecico's operations in the first quarter as a result of the revolution in Egypt and the virtual closure of the Libyan market since mid-February.

Average net prices fell 2% year-on-year to reach LE 18.0 per square meter.

Tiles revenues fell 15% year-on-year to LE 190.3 million in the first half of 2011.

Average cost per square meter increased 19% to reach LE 12.4 per square meter.

Tile gross profit margins for the first half fell 12.5 percentage points to 31.1% and gross profits were down 39% year-on-year at LE 59.2 million.

Brassware

2Q: In August 2010, the brassware segment which manufactures mixers and taps started operations in its Borg El Arab plant.

Sales volume for second quarter period were 8,085 pieces all in Egypt, up 34% from the first quarter of 2011 as a result of the roll-out of the products sales footprint and despite the impact of events in Egypt during the quarter.

Revenue for the second quarter was LE 2.6 million up 38% quarter-on-quarter.

Gross profit was LE 1.4 million up 10% quarter-on-quarter despite a 13.3 percentage point drop in margin from the first quarter to 52.9%.

Brassware segmental analysis	2011		%	1H		%
	2Q	1Q	11/10	2011	2010	11/10
Brassware volumes (pcs)						
Egypt (pcs)	8,085	6,015	134%	14,100	0	0%
Total brassware volumes (pcs)	**8,085**	**6,015**	**134%**	**14,100**	**0**	**0%**
Brassware revenue (LE m)	**2.6**	**1.9**	**138%**	**4.5**	**0.0**	**0%**
Average selling price (LE/pc)	324.3	315.6	103%	320.6	0.0	0%
Average cost per piece (LE/pc)	152.7	106.7	143%	133.0	0.0	0%
Brassware cost of sales	(1.2)	(0.6)	192%	(1.9)	0.0	0%
Brassware ware gross profit	1.4	1.3	110%	2.6	0.0	0%
Brassware gross profit margin (%)	52.9%	66.2%	(13.3%)	58.5%	0.0%	58.5%

1H: Sales volume for first half were 14,100 pieces all in Egypt, revenue was LE 4.5 million, Gross profit was LE 2.6 million with margin 58.8%.

Revenue and margin for the period do not necessarily reflect normative run rates for this segment given the small volume of operation since startup.

In July 2011, Lecico began to roll out a Lecico-branded economy range to complement its current luxury Sarrdesign brand offer, which should accelerate volumes growth but will also lower average prices and margins.

Financial position

The value of Lecico's assets increased 8% at the end of June 30, 2011 to reach LE 1,953.5 million, driven primarily by an increase in cash, and inventories. Total liabilities were up 19% at LE 1,120.7 million. Net debt to equity showed an increase to 0.74x reflecting the increase in bank borrowings as a result of cash outflow to pay the cash dividend during 2010, capex for the new tile plant and increase in working capital.

Recent developments and outlook

Outlook for 2011: The recent and ongoing political events in Egypt and the region are certain to have an effect on the company's activities in 2011. Although Egyptian market demand is recovering from its lowest point and business is no longer being impacted by security and rule of law issues, the situation remains unpredictable and demand is likely to remain depressed as a result of the significant slowdown in growth and a continued loss of consumer confidence.

The Libyan market remains effectively closed and this situation could continue for an extended period of time.

The company also expects continued weaker demand in our European export markets due in part to the risks of contagion within the Eurozone.

Lecico will be able to partially offset this weakness in core markets given the number of new markets, customers and products the company is in the process of launching in the first half of 2011.

Furthermore the company is confident it can make domestic, regional and export market share gains in existing markets but this is a slow process and is likely to be only partially recoverable in the coming year.

In the second half the company should also benefit from the additional tile capacity provided by its new plant in Borg El Arab. The current capacity of this first phase of the project is 6.4 million square meters of red body tiles per annum which the Company expects to be fully operational in August.

However, any top line improvements that can be delivered over the remainder of the year will be at least partially offset by cost inflation pressures. In the third quarter the company will face additional erosion of its economies of scale as a result of the nine day strike in Lecico’s Khorshid facilities in July. Furthermore, the company expects to see continued labour and food-price led 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.

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	2Q		%	1H		%
(LE m)	2011	2010	11/10	2011	2010	11/10
Net sales	**249.7**	**255.7**	**98%**	**465.2**	**525.2**	**89%**
Cost of sales	(176.7)	(164.6)	107%	(321.9)	(340.6)	95%
Gross profit	**73.0**	**91.1**	**80%**	**143.3**	**184.6**	**78%**
Gross margin (%)	29.2%	35.6%	(6.4%)	30.8%	35.1%	(4.3%)
Distribution expenses	(15.7)	(16.4)	96%	(30.7)	(33.1)	93%
Administrative expenses	(26.9)	(24.9)	108%	(51.0)	(52.7)	97%
Other Operating income	0.7	2.8	25%	1.3	3.2	40%
Other Operating expenses	(1.9)	(1.9)	99%	(4.0)	(3.9)	103%
Operating profit (EBIT)	**29.2**	**50.7**	**58%**	**58.8**	**98.1**	**60%**
Operating (EBIT) margin (%)	11.7%	19.8%	(8.1%)	12.6%	18.7%	(6.1%)
Investment revenues	2.6	0.0	-	2.6	0.1	-
Finance income	1.7	1.6	106%	3.2	3.2	100%
Finance expense	(16.7)	(17.3)	97%	(28.2)	(29.9)	94%
Profits before tax and minority (PBTM)	**16.8**	**35.0**	**48%**	**36.4**	**71.5**	**51%**
PBTM margin (%)	6.7%	13.7%	(7.0%)	7.8%	13.6%	(5.8%)
Income tax	(3.4)	(7.7)	44%	(8.6)	(16.1)	53%
Deferred tax	(5.1)	0.5	0%	(4.0)	1.5	0%
Net Profit after tax (NPAT)	**8.3**	**27.8**	**30%**	**23.8**	**56.9**	**42%**
NPAT margin (%)	3.3%	10.9%	(7.6%)	5.1%	10.8%	(5.7%)
Employee profit participation	(3.1)	(3.0)	103%	(6.3)	(5.9)	107%
Net profit before minority interest	**5.2**	**24.8**	**21%**	**17.5**	**51.0**	**34%**
Minority interest	(0.1)	0.9	(11%)	0.1	1.6	0%
Net Profit	**5.1**	**25.7**	**20%**	**17.6**	**52.6**	**33%**
Net profit margin (%)	2.0%	10.1%	(8.1%)	3.8%	10.0%	(6.2%)

Lecico Egypt consolidated balance sheet

Balance Sheet (LE m)	30-Jun-11	31-Dec-10	1H11/FY10 (%)
Cash and short-term investments	196.3	112.4	175%
Inventory	541.9	473.3	115%
Receivables	300.2	318.4	94%
Related parties -debit balances	52.5	42.6	123%
Total current assets	**1091.0**	**946.7**	**115%**
Net fixed assets	633.9	663.3	96%
Intangible assets	22.9	23.1	99%
Prepaid long-term rent	1.5	1.7	90%
Projects in progress	176.9	150.0	118%
Available for sale investments	4.6	4.4	105%
Long-term notes receivable	22.8	22.8	100%
Total non-current assets	**862.5**	**865.3**	**100%**
Total assets	**1,953.5**	**1,812.0**	**108%**
Banks overdraft	769.2	557.1	138%
Current portion of long-term liabilities	37.9	56.9	67%
Trade and notes payable	91.8	69.3	133%
Other current payable	107.2	128.1	84%
Related parties -credit balances	5.8	4.4	131%
Provisions	16.9	18.8	90%
Total current liabilities	**1028.8**	**834.6**	**123%**
Long-term loans	0.0	11.5	-
Other long-term liabilities	58.0	62.4	93%
Provisions	10.4	9.9	105%
Deferred tax	23.5	19.6	120%
Total non-current liabilities	**91.9**	**103.4**	**89%**
Total liabilities	**1120.7**	**938.0**	**119%**
Minority interest	**1.9**	**2.9**	**64%**
Issued capital	400.0	300.0	133%
Reserves	309.6	294.3	105%
Retained earnings	103.7	182.0	57%
Net profit for the year	17.6	94.8	19%
Total equity	**830.9**	**871.1**	**95%**
Total equity, minorities and liabilities	**1,953.5**	**1,812.0**	**108%**

Lecico Egypt consolidated cash flow statement

Cash flow statement	1H		%
(LE m)	2011	2010	11/10
Cash Flow from operating activities			
Net profit for the period	17.6	52.6	33%
Depreciation and translation adjustment	40.7	39.6	103%
Intangible assets amortisation and translation adjustment	0.2	1.0	21%
Income tax expense	8.6	16.1	53%
Income tax paid	(28.0)	(18.3)	153%
Deferred income tax	4.0	(1.5)	-
Prepaid rent expense	0.2	0.2	87%
Capital gains	(0.0)	(0.3)	5%
Provided provisions and translation adjustment	3.8	2.5	153%
Employee share in net profit	6.3	5.9	106%
Increase (Decrease) in minority interest	(1.0)	(2.8)	37%
Increase (Decrease) in translation reserve	2.2	(0.9)	0%
(Increase) Decrease in Inventory	(68.9)	(19.9)	346%
(Increase) Decrease in Receivables	7.4	(67.0)	(11%)
Increase (Decrease) in Payables	28.5	34.9	82%
Utilised Provisions	(4.2)	(2.5)	168%
Increase (Decrease) in Other Long Term Liabilities	(4.4)	(2.2)	201%
Payments for acquiring current investment	2.4	(7.1)	0%
Net cash from operating activities	**15.4**	**30.4**	**51%**
Cash flow from investing activities			
Additions to fixed assets and projects	(38.5)	(69.9)	55%
Intangible assets	0.0	(0.2)	0%
Net change in available for sale investments	(0.1)	(0.2)	60%
Proceeds from sales of fixed assets	0.3	0.7	42%
Increase (Decrease) in long-term notes receivable	0.0	0.0	0%
Net cash from investing activities	**(38.3)**	**(69.6)**	**55%**
Cash flow from financing activities			
Increase (Decrease) in long-term loans	(11.5)	(23.6)	49%
Increase (Decrease) in current portion of long term liabilities	(19.0)	7.2	-
Dividends paid	(72.4)	(70.2)	103%
Net cash from financing activities	**(102.8)**	**(86.6)**	**119%**
Net change in cash & cash equivalent during the period	**(125.8)**	**(125.9)**	**100%**
Net cash and cash equivalent at beginning of the period	(518.2)	(300.3)	173%
Net cash and cash equivalent at the end of the period	**(644.0)**	**(426.2)**	**151%**