Third Quarter 2011 Results

Alexandria, 14th November 2011 – Lecico Egypt (Stock symbols: LECIq.L; LECI LI; LCSW.CA; LECI EY) announces its consolidated results for third quarter of 2011.

Highlights

3Q 2011

- Lecico revenue down 6% to LE 239.2 million (54.8% from sanitary ware)
- Sanitary ware revenue down 7% to LE 131.2 million, with volumes down by 16% to 1.0 million pieces (55.3% exports)
- Tile revenue down 6% to LE 105.2 million, driven by a 3% decrease in volumes to 5.7 million square meters (22.0% exports)
- Brassware revenue LE 2.9 million driven by sales volume of 8,290 pieces.
- EBIT down 60% to LE 20.0 million, margin down 11.2 percentage pts to 8.4%
- Net loss LE 3.0 million, margin down 13.4 percentage pts to (1.2%)

9M 2011

- Lecico revenue down 10% to LE 704.4 million (57.0% from sanitary ware)
- Sanitary ware revenue down 9% to LE 401.6 million, driven by a 20% decrease in volumes to 3.1 million pieces (56.3% exports)
- Tile revenue down 12% to LE 295.4 million, driven by a 10% decrease in volumes to 16.2 million square meters (17.1% exports)
- Brassware revenue LE 7.4 million driven by sales volume of 22,390 pieces.
- EBIT down 47% to LE 78.7 million, margin down 7.8 percentage pts to 11.2%
- Net profit down 82% to LE 14.6 million, margin down 8.6 percentage pts to 2.1%

Lecico Egypt Chairman and CEO, Gilbert Gargour, commented: "I hope that this quarter will turn out to be our worst as we begin to get the crisis behind us. All the negative factors that we had in the second quarter remained and were compounded by the 9-day strike in Khorshid and foreign exchange losses due to unusually low Euro and Sterling rates at the end of September. This has taken us into a loss for the quarter. These were exceptional events in an already exceptional time, the likes of which we hope never to see again.

"As we look forward we can look towards the recovery of the Libyan market and the continued growth of our markets in the Middle East. Demand in Egypt has been stable and is likely to remain so albeit without any major growth until the revolution ends with elections and a new constitution over the next six to nine months. Meanwhile we are likely to face continued above average cost inflation in the year ahead as the country struggles to balance its growing deficit and deliver on the populist demands of the revolution. We will follow this closely and adjust our prices as soon as we are able to.

"We continue to incur unusually high financial costs in an environment where interest rates are set to defend the currency rather than encourage growth. This is neither a good battle nor a winnable one. Lecico is working hard in difficult macro-economic times to develop new customers and improve its own franchises in international markets. We are hopeful that as a result of our competitiveness we shall see some important successes even in this environment.

"But the road ahead is hard and it will be some time before we are allowed to return to the normal levels of profitability and growth that our company deserves and will achieve again. I am personally optimistic that these days will be with us again and perhaps sooner rather than later."

Elie Baroudi, Lecico Egypt MD, added, "Our results show not only a year-on-year but a quarter-on-quarter deterioration in sales volumes, revenues and gross margins from an already difficult second quarter. However, given relative stability in our operating environment, we can recover from this record low performance due to the specific factors driving the drop in results in this quarter.

"In sanitary ware, our profitability this year has been impacted by shrinking demand in Europe and the Middle East, combined with cost inflation and operational disruption in Egypt. In the first nine months of 2011, production was down 18% year-on-year. Lower productivity – coupled with the cost inflation in labour and other costs over the past year – has led to a 14% increase in production costs per piece this year.

"In the third quarter this was compounded by a quarter-on-quarter drop in sales price as a result of the weakness in exchange rates, and production volumes reached their lowest levels all year due to the strike and the effect of Ramadan.

"In tiles, this year we have also suffered from lower productivity combined with cost inflation and operational disruption in Egypt. This has been compounded by lower average prices due to the drop in exports and more aggressive pricing in Egypt.

"However, the nine day strike in Khorshid – which accounts for over 75% of tile production – saw volumes down quarter-on-quarter, and the gradual buildup of production volumes in the new plant added to the unit production costs in the quarter.

"With the improved average price seen in the quarter and full productivity in Khorshid and the new Borg plant, we should see a strong quarter-on-quarter improvement in sales volumes, revenues and gross profits in the last months of the year."

Lecico Revenue and Profitability

Profit and loss statement highlights	3Q		%	9M		%
(LE m)	2011	2010	11/10	2011	2010	11/10
Sanitary ware	131.2	140.4	93%	401.6	441.8	91%
Tiles	105.2	112.2	94%	295.4	335.9	88%
Brassware	2.9	1.4	201%	7.4	1.4	513%
Net sales	**239.2**	**254.0**	**94%**	**704.4**	**779.2**	**90%**
Sanitary ware/net sales (%)	54.8%	55.3%	(0.5%)	57.0%	56.7%	0.3%
Cost of sales	(173.5)	(163.0)	106%	(495.4)	(503.6)	98%
Cost of sales/net sales (%)	(72.5%)	(64.2%)	8.4%	(70.3%)	(64.6%)	5.7%
Gross profit	**65.7**	**91.0**	**72%**	**209.0**	**275.6**	**76%**
Gross profit margin (%)	27.5%	35.8%	(8.3%)	29.7%	35.4%	(5.7%)
Distribution and administration (D&A)	(43.9)	(42.7)	103%	(125.7)	(128.4)	98%
D&A/net sales (%)	(18.4%)	(16.8%)	1.5%	(17.8%)	(16.5%)	1.4%
Net other operating income/ (expense)	(1.8)	1.5	-	(4.5)	0.8	(563%)
Net other operating income/ (expense) net sales (%)	(0.8%)	0.6%	(1.4%)	(0.6%)	0.1%	(0.7%)
EBIT	**20.0**	**49.8**	**40%**	**78.7**	**148.0**	**53%**
EBIT margin (%)	8.4%	19.6%	(11.2%)	11.2%	19.0%	(7.8%)
Net profit	**(3.0)**	**30.9**	**-**	**14.6**	**83.4**	**18%**
Net profit margin (%)	(1.2%)	12.2%	(13.4%)	2.1%	10.7%	(8.6%)

3Q 2011: Lower sales volumes and cost inflation drive down profits

Lecico has continued to face an extremely challenging operating environment in the third quarter with demand from the company's main regional and European exports remaining weak and production negatively impacted by an extended strike and lower productivity in the month of Ramadan.

These demand and capacity constraints led to a significant erosion in margins as a result of reduced economies of scale, which were compounded by 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 and the region.

Revenue decreased 6% year-on-year in the third quarter to reach LE 239.2 million. The drop in sales was due to a 16% decrease in sanitary ware volumes and a 3% 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.

The third quarter was also negatively impacted by production constraints in Egypt. The workers' strike at the company's Khorshid location closed down the sanitary ware and tile plants for a total of 9 days during the period from July 27th to August 3rd. In addition, August sanitary ware productivity in all Egyptian locations was reduced throughout the month of Ramadan as a result of limited casting times.

Libya, Lecico's largest regional export market, has effectively been closed since mid-February due to political instability and conflict in the country. In 3Q 2010, Libya accounted for 8% and 18% of the company's sanitary ware and tile sales volumes respectively.

Gross profit decreased by 28% to reach LE 65.7 million, gross profit margin was down 8.3 percentage point's year-on-year at 27.5%. 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.

In absolute terms, D&A expenses increased by 3% to LE 43.9 million year-on-year on the back of effect of a weaker Egyptian pound. Proportional distribution and administration (D&A) expenses were up 1.5 percentage points to 18.3% of net sales compared to 16.8% in the third quarter of 2010.

Net other operating expense was LE 1.8 million expenses compared to a LE 1.5 million income in the same period last year.

EBIT fell by 60% year-on-year to reach LE 20.0 million for the third quarter of 2011 as a result of the drop in gross profits, with the EBIT margin decreasing 11.2 percentage points to 8.4% compared to 19.6% in the third quarter of 2010.

Financing expenses were up 94% year-on-year during the third quarter of 2011 to reach LE 24.8 million compared to LE 12.8 million for the same period in 2010. Results for the quarter included a foreign exchange loss of LE6.3 million compared to a loss of LE 0.23 million in the third quarter of 2010. These exchange differences arose due to the sudden weakening of the Euro and Sterling due to the Euro zone financial crisis.

Lecico recorded a tax credit for the quarter of LE 1.9 million compared to a tax charge of LE 7.2 million for the same period last year.

The company reported a net loss of LE 3.0 million with a negative 1.2% margin, compared to a profit of LE 30.9 million with a 12.2% margin in the same period last year.

9M 2011: Domestic political disruption, weak export markets and cost inflation

Revenue was down 10% year-on-year in the nine months to reach LE 704.4 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 and the related strikes in Lecico's factories in February and July/August, higher 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 24% to reach LE 209.0 million, while the gross profit margin fell 5.7 percentage points year-on-year at 29.7%. 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 2% to LE 125.7 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 1.4 percentage points to 17.8% of net sales compared to 16.5% in the first nine months of 2010.

Net other operating expense was LE 4.5 million expenses compared to a LE 0.8 million income in the same period last year.

EBIT fell 47% year-on-year to reach LE 78.7 million for the nine months of 2011, with the EBIT margin down 7.8 percentage points at 11.2%.

Net financing expenses were up 27% year-on-year during the nine months of 2011 to reach LE 45.7 million, reflecting higher bank charges on growing debt balances.

Lecico's tax charges for the first nine months were LE 10.6 million versus LE 21.8 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 82% to reach LE 14.6 million, with the net profit margin decreasing 8.6 percentage points to 2.1%, compared with 10.7% in the same period last year.

Segmental analysis

Sanitary ware

3Q: Sanitary ware sales volume decreased by 16% or 196,000 pieces to 1.01 million pieces. The decline in volumes came from a drop in demand in Egypt and Libya due to political upheaval and weaker exports to Lecico's main European markets. Lower demand was compounded in some cases by a productivity loss as a result of nine days of striking in the company's Khorshid site (which accounts for around 1/3rd of the all sanitary ware production) and the reduction of casting during the month of Ramadan.

Sales in Egypt were down 13% or 62,000 pieces year-on-year, while exports were down 16% or 110,000 pieces.

Average sanitary ware prices were up 12% year-on-year to LE 130.2 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 fell 7% year-on-year at LE 131.2 million. Exports represented 55.3% of volumes compared to 55.4% in the third quarter of 2010.

Average cost per piece was up 17% year-on-year at LE 94.3 primarily as a result of lower production volumes reducing economies of scale and increases in energy prices and labor costs.

Sanitary ware gross profit margin fell 3.1 percentage points to reach 27.5%, with gross profits down 16% to LE 36.1 million due to the effect of higher average cost per piece.

Sanitary ware segmental analysis	3Q		%	9M		%
	2011	2010	11/10	2011	2010	11/10
Sanitary ware volumes (000 pcs)						
Egypt (000 pcs)	417	479	87%	1,194	1,517	79%
Lebanon (000 pcs)	34	58	59%	167	162	103%
Export (000 pcs)	557	667	84%	1,756	2,230	79%
Total sanitary ware volumes (000 pcs)	**1,008**	**1,204**	**84%**	**3,117**	**3,909**	**80%**
Exports/total sales volume (%)	55.3%	55.4%	(0.1%)	56.3%	57.0%	(0.7%)
Sanitary ware revenue (LE m)	**131.2**	**140.4**	**93%**	**401.6**	**441.8**	**91%**
Average selling price (LE/pc)	130.2	116.6	112%	128.8	113.0	114%
Average cost per piece (LE/pc)	94.3	80.9	117%	91.1	79.8	114%
Sanitary ware cost of sales	(95.1)	(97.4)	98%	(284.1)	(311.8)	91%
Sanitary ware gross profit	36.1	43.0	84%	117.5	130.0	90%
Sanitary ware gross profit margin (%)	27.5%	30.6%	(3.1%)	29.3%	29.4%	(0.1%)

9M: Sanitary ware sales volume decreased by 20% or 792,000 pieces to 3.1 million pieces as a direct result of the significant disruption to Lecico's operations during the period 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 9% year-on-year at LE 401.6 million. Exports represented 56.3% of volumes compared to 57.0% in the same period of 2010.

Average sanitary ware prices were up 14% year-on-year to LE 128.8 per piece, largely as a result of the effect of a weaker Egyptian pound on export prices.

Average cost was up 14% year-on-year at LE 91.1 per piece.

Sanitary ware gross profit margins decreased by 0.1 percentage point's year-on-year in the nine months to reach 29.3% but gross profits decreased by 10% to LE 117.5 million.

Tiles

3Q: Tile sales volumes were down 3% year-on-year in the third quarter of 2011, to reach 5.7 million square meters as the capacity gains made by the roll out of the new tile plant in Borg El Arab were overshadowed by the loss of nine days production due to the strike in Khorshid in July/August. Tile exports accounted for 22.0% of sales volumes in the quarter compared to 22.8% in the same period in 2010.

Average net prices were down 3% at LE 18.6 per square meter reflecting the drop in higher value tile exports.

Tiles revenues fell 6% year-on-year to LE 105.2 million in the third quarter of 2011.

Average costs rose 22% year-on-year to reach LE 13.6 per square meter as a result of lower production volumes reducing economies of scale and increases in energy prices and labor costs. This was compounded by the costs generated by the startup of the company's new tile plant which was inaugurated in July.

Tile gross profit margins fell by 15.2 percentage points to reach 27.0% and gross profit for the quarter was down 40.0% year-on-year at LE 28.4 million.

Tile segmental analysis	3Q		%	9M		%
	2011	2010	11/10	2011	2010	11/10
Tile volumes (000 sqm)						
Egypt (000 sqm)	3,905	3,932	99%	11,980	12,065	99%
Lebanon (000 sqm)	511	592	86%	1,492	1,831	81%
Export (000 sqm)	1,248	1,337	93%	2,777	4,117	67%
Total tile volumes (000 sqm)	**5,664**	**5,861**	**97%**	**16,249**	**18,012**	**90%**
Exports/total sales volume (%)	22.0%	22.8%	(0.8%)	17.1%	22.9%	(5.8%)
Tile revenue (LE m)	**105.2**	**112.2**	**94%**	**295.4**	**335.9**	**88%**
Average selling price (LE/sqm)	18.6	19.1	97%	18.2	18.6	97%
Average cost per sqm (LE/sqm)	13.6	11.1	122%	12.8	10.6	121%
Tile cost of sales	(76.8)	(64.9)	118%	(207.8)	(191.0)	109%
Tile gross profit	28.4	47.3	60%	87.6	144.9	60%
Tile gross profit margin (%)	27.0%	42.2%	(15.2%)	29.7%	43.1%	(13.4%)

9M: Tile sales volumes fell 10% in the first nine months of 2011 to 16.2 million square meters as a direct result of the significant disruption to Lecico's operations during the period as a result of the revolution in Egypt and the virtual closure of the Libyan market since mid-February.

Average net prices fell 3% year-on-year to reach LE 18.2 per square meter.

Tiles revenues fell 12% year-on-year to LE 295.4 million in the first nine month of 2011.

Average cost per square meter increased 21% to reach LE 12.8 per square meter.

Tile gross profit margins for the first nine months fell 13.5 percentage points to 29.7% and gross profit was down 40% year-on-year at LE 87.6 million.

Brassware

3Q: In August 2010, the brassware segment which manufactures mixers and taps started operations in its Borg El Arab plant.

Sales volumes for third quarter period were 8,290 pieces, up 81% from the third quarter of 2010.

Revenue for the third quarter was LE 2.9 million, up 101% from the third quarter of 2010.

Gross profit was LE 1.3 million, with the gross profit margin down 1.5 percentage points year-on-year to 45.5%.

Brassware segmental analysis	3Q		%	9M		%
	2011	2010	11/10	2011	2010	11/10
Brassware volumes (pcs)						
Total brassware volumes (pcs)	**8,290**	**4,582**	**181%**	**22,390**	**4,582**	**489%**
Brassware revenue (LE m)	**2.9**	**1.4**	**201%**	**7.4**	**1.4**	**513%**
Average selling price (LE/pc)	351.0	315.9	111%	331.8	315.9	105%
Average cost per piece (LE/pc)	191.4	167.5	114%	154.6	167.5	92%
Brassware cost of sales	(1.6)	(0.8)	207%	(3.5)	(0.8)	451%
Brassware ware gross profit	1.3	0.7	195%	4.0	0.7	583%
Brassware gross profit margin (%)	45.5%	47.0%	(1.5%)	53.4%	47.0%	6.4%

9M: Sales volume for first nine months were 22,390 pieces, revenue was LE 7.4 million; Gross profit was LE 4.0 million with margin 53.4%.

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 6% at the end of September 30, 2011 to reach LE 1,928.3 million, driven primarily by an increase in cash and inventories. Total liabilities were up 18% at LE 1,103.1 million. Net debt to equity showed an increase to 0.78x 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 through the rest of 2011. Although Egyptian market demand has to a large extent recovered and business is no longer being impacted by security and rule of law issues, the situation remains unpredictable and demand is likely to be vulnerable to changes in market sentiment and consumer confidence.

The Libyan market remains effectively closed although we have seen some transactions taking place albeit at a very limited scale. The situation should improve in Libya but the timing and size of the market recovery remains impossible to predict.

The company also expects demand in our European export markets to remain weak with fears over the economic stability of the Eurozone likely to continue depressing consumer confidence for the foreseeable future.

In the tile segment, Lecico has been able to partially offset this weakness in core markets by developing new customers and growing market share in regional markets specifically Saudi Arabia, Morocco and Iraq. Indeed, the company is hopeful that it will be able to report increased sales volumes in the fourth quarter as it benefits from the additional tile capacity provided by its new plant in Borg El Arab

In sanitary ware, the company is confident it can build growth from new products it is launching and from new customers in European markets.

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.

However, any top line improvements that can be delivered in the fourth quarter will be at least partially offset by cost inflation pressures. 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	3Q		%	9M		%
(LE m)	2011	2010	11/10	2011	2010	11/10
Net sales	**239.2**	**254.0**	**94%**	**704.4**	**779.2**	**90%**
Cost of sales	(173.5)	(163.0)	106%	(495.4)	(503.6)	98%
Gross profit	**65.7**	**91.0**	**72%**	**209.0**	**275.6**	**76%**
Gross margin (%)	27.5%	35.8%	(8.4%)	29.7%	35.4%	(5.7%)
Distribution expenses	(16.5)	(15.5)	107%	(47.3)	(48.6)	97%
Administrative expenses	(27.4)	(27.2)	101%	(78.4)	(79.8)	98%
Other Operating income	0.6	3.4	18%	1.9	6.6	29%
Other Operating expenses	(2.4)	(1.9)	123%	(6.5)	(5.8)	112%
Operating profit (EBIT)	**20.0**	**49.8**	**40%**	**78.7**	**148.0**	**53%**
Operating (EBIT) margin (%)	8.4%	19.6%	(11.2%)	11.2%	19.0%	(7.9%)
Investment revenues	0.0	2.0	-	2.6	2.1	124%
Finance income	1.5	1.6	94%	4.7	4.7	100%
Finance expense	(24.8)	(12.8)	194%	(53.0)	(42.6)	124%
Profits before tax and minority (PBTM)	**(3.3)**	**40.6**	**-**	**33.0**	**112.2**	**29%**
PBTM margin (%)	(1.4%)	16.0%	(17.4%)	4.7%	14.4%	(9.7%)
Income tax	0.6	(7.5)	(8%)	(8.0)	(23.6)	34%
Deferred tax	1.3	0.3	-	(2.6)	1.8	-
Net Profit after tax (NPAT)	**(1.4)**	**33.4**	**-**	**22.4**	**90.4**	**25%**
NPAT margin (%)	(0.6%)	13.1%	(13.8%)	3.2%	11.6%	(8.4%)
Employee profit participation	(2.9)	(2.9)	100%	(9.2)	(8.9)	103%
Net profit before minority interest	**(4.3)**	**30.5**	**-**	**13.2**	**81.5**	**16%**
Minority interest	1.3	0.4	366%	1.4	1.9	73%
Net Profit	**(3.0)**	**30.9**	**-**	**14.6**	**83.4**	**18%**
Net profit margin (%)	(1.2%)	12.2%	(13.5%)	2.1%	10.7%	(8.6%)

Lecico Egypt consolidated balance sheet

Balance Sheet (LE m)	30-Sep-11	31-Dec-10	9M11/FY10 (%)
Cash and short-term investments	164.8	112.4	147%
Inventory	548.2	473.3	116%
Receivables	304.1	318.4	95%
Related parties -debit balances	59.7	42.6	140%
Total current assets	**1076.8**	**946.7**	**114%**
Net fixed assets	715.9	663.3	108%
Intangible assets	22.4	23.1	97%
Prepaid long-term rent	1.4	1.7	85%
Projects in progress	86.3	150.0	58%
Available for sale investments	4.6	4.4	105%
Long-term notes receivable	20.9	22.8	92%
Total non-current assets	**851.5**	**865.3**	**98%**
Total assets	**1,928.3**	**1,812.0**	**106%**
Banks overdraft	756.2	557.1	136%
Current portion of long-term liabilities	21.6	56.9	38%
Trade and notes payable	89.6	69.3	129%
Other current payable	108.3	128.1	85%
Related parties -credit balances	7.5	4.4	170%
Provisions	18.1	18.8	96%
Total current liabilities	**1001.3**	**834.6**	**120%**
Long-term loans	32.8	11.5	285%
Other long-term liabilities	36.4	62.4	58%
Provisions	10.3	9.9	104%
Deferred tax	22.3	19.6	114%
Total non-current liabilities	**101.8**	**103.4**	**98%**
Total liabilities	**1103.1**	**938.0**	**118%**
Minority interest	**2.0**	**2.9**	**68%**
Issued capital	400.0	300.0	133%
Reserves	304.9	294.3	104%
Retained earnings	103.7	182.0	57%
Net profit for the year	14.6	94.8	15%
Total equity	**823.2**	**871.1**	**94%**
Total equity, minorities and liabilities	**1,928.3**	**1,812.0**	**106%**

Lecico Egypt consolidated cash flow statement

Cash flow statement	9M		%
(LE m)	2011	2010	11/10
Cash Flow from operating activities			
Net profit for the period	14.6	83.5	17%
Depreciation and translation adjustment	65.3	57.6	113%
Intangible assets amortisation and translation adjustment	0.7	0.8	89%
Income tax expense	8.0	23.6	34%
Income tax paid	(29.3)	(19.3)	152%
Deferred income tax	2.7	(1.8)	-
Prepaid rent expense	0.3	0.3	87%
Capital gains	(0.1)	(2.5)	3%
Provided provisions and translation adjustment	4.7	4.2	111%
Employee share in net profit	9.2	8.9	104%
Increase (Decrease) in minority interest	(0.9)	(3.4)	28%
Increase (Decrease) in translation reserve	(2.4)	6.2	-
(Increase) Decrease in Inventory	(75.1)	(66.9)	112%
(Increase) Decrease in Receivables	(3.4)	(76.6)	4%
Increase (Decrease) in Payables	28.0	45.3	62%
Utilised Provisions	(3.9)	(6.2)	64%
Increase (Decrease) in Other Long Term Liabilities	(26.0)	(19.6)	133%
Payments for acquiring current investment	5.2	4.1	0%
Net cash from operating activities	**(2.7)**	**38.0**	**-**
Cash flow from investing activities			
Additions to fixed assets and projects	(54.6)	(117.2)	47%
Intangible assets	0.0	(0.2)	-
Net change in available for sale investments	(0.1)	(0.2)	60%
Proceeds from sales of fixed assets	0.4	14.4	3%
Increase (Decrease) in long-term notes receivable	1.9	0.0	-
Net cash from investing activities	**(52.4)**	**(103.2)**	**51%**
Cash flow from financing activities			
Increase (Decrease) in long-term loans	21.4	(41.2)	(52%)
Increase (Decrease) in current portion of long term liabilities	(35.2)	11.0	-
Dividends paid	(72.4)	(70.2)	103%
Net cash from financing activities	**(86.3)**	**(100.4)**	**86%**
Net change in cash & cash equivalent during the period	**(141.4)**	**(165.7)**	**85%**
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	**(659.6)**	**(466.0)**	**142%**