



Full year 2013 Results

Alexandria, 10th March 2014 – Lecico Egypt (Stock symbols: LECIq.L; LECI LI; LCSW.CA; LECI EY) announces its consolidated results for 2013.

Highlights

4Q 2013

- Lecico revenue up 16% to LE 391.0 million (46.5% from sanitary ware)
- Sanitary ware revenue up 12% to LE 182.0 million, driven by a 6% increase in volumes to 1.43 million pieces (53.4% exports)
- Tile revenue up 18% to LE 198.6 million, driven by an 18% increase in volumes to 9.25 million square meters (20.4% exports)
- Brassware revenue up 44% to LE 10.4 million, volumes up 34%
- EBIT up 23% to LE 58.6 million, margin up 0.9 percentage pts to 15.0%
- Net loss LE 85.4 million, compared to net profit of LE 19.3 million due to one-off costs associated with Lecico France
- Without the costs of Lecico France, net profit fell 9% to LE 17.6 million and margin fell 1.2 percentage pts to 4.5%

FY 2013

- Lecico revenue up 17% to LE 1,501.0 million (49.1% from sanitary ware)
- Sanitary ware revenue up 18% to LE 737.0 million, driven by a 10% increase in volumes to 5.68 million pieces (52.7% exports)
- Tile revenue up 14% to LE 722.4 million, driven by an 8% increase in average price to LE 21.6 per square meter
- Brassware revenue up 103% to LE 41.6 million, volumes up 79%
- EBIT rose 36% to LE 224.1 million, margin up 2 percentage pts to 14.9%
- Net loss LE 18.0 million, compared to net profit of LE 62.8 million due to costs associated with Lecico France
- Without one-off costs of Lecico France, net profit rose 36% to LE 85.1 million and margin rose 0.8 percentage pt to 5.7%

Lecico Egypt Chairman and CEO, Gilbert Gargour, commented "Lecico Egypt's strong underlying performance in 2013 was overshadowed by the write off of assets and investments in Lecico France in the fourth quarter.

"Lecico France formally went into bankruptcy in the fourth quarter and the LE 103.0 million costs associated with writing off our assets and investments in France have led to a net loss in our reported results for the year.

"This impact was expected and communicated to our investors in our previous results newsletter and in a specific press release to the market. The loss is actually less than expected previously due to final accounting differences and the write-offs taken by our French entities in October.

"As previously discussed, Lecico France has continued to suffer significant annual losses since Lecico bought the business in 2006. Regrettably, after several restructuring efforts and in light of the difficult and uncertain economic and political situation facing us as a company, we were no longer in a position to support these ongoing losses any longer. While the closure of this business has a negative impact on performance for 2013, there will be a positive effect on earnings and cash flows from 2014 onwards by excluding the operating losses of Lecico France.

"However, the results for the quarter and the year – excluding the one-off costs of writing off our assets and investments in France – show continued growth and development in our financials.

"Growth over the year came from Egypt, Libya and the UK and while these markets are not without risks going forward, these results are a promising indicator for the year ahead given our ability to deliver more product in all segments in 2014 and the positive impact of losing France. If the political situation allows, we should be on track to deliver a banner year in 2014."

"We continue, of course, to be concerned about the political situation in our region and hope that we have turned a corner in Egypt. We also have begun to see signs of a recovery in Europe, which, if confirmed should augur well for Lecico in the years to come. We hope and pray for a soft landing in Libya and in Syria which continue to suffer from insecurity and strife."

Taher Gargour, Lecico Egypt MD, added, "Excluding the write-off of Lecico France, the fourth quarter continued the trend of strong growth and margin recovery seen over the first three quarters of the year and was our second best quarter in 2013 in terms of revenues, gross and net profits.

"If we look at the results for the year we can see a steady improvement in revenue, profitability and margins over 2012. In fact, this year saw the company achieve new records in sales volumes – in all segments – and revenues with corresponding record levels of gross and operating profit. Our net profit – excluding the write-off for France – remains below pre-revolution levels due to the high cost associated with the company's

defensive treasury policy of holding large dollar cash balances but shows a strong improvement over the previous year.

“The loss of assets in France also significantly improved our working capital position as a large part of our inventory value was locked in intercompany trade with France. As a result, our key working capital indicators are at their best levels since the revolution. Over the course of the year we were also able to reduce our net debt position by 6% or LE 36 million despite paying a dividend earlier this year and financing a large part of our new tile line in the first half of the year.

“The strong performance in all segments over 2013 and our improving cash flow and balance sheet position and our exit from loss-making operations in France put us in a good position.

“I am optimistic that we can continue improving and growing 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						
(LE m)	4Q		%	FY		%
	2013	2012	13/12	2013	2012	13/12
Sanitary ware	182.0	162.2	112%	737.0	626.5	118%
Tiles	198.6	168.3	118%	722.4	631.8	114%
Brassware	10.4	7.2	144%	41.6	20.5	203%
Net sales	391.0	337.7	116%	1,501.0	1,278.8	117%
Sanitary ware/net sales (%)	46.5%	48.0%	(1.5%)	49.1%	49.0%	0.1%
Cost of sales	(275.8)	(236.0)	117%	(1067.1)	(922.7)	116%
Cost of sales/net sales (%)	(70.5%)	(69.9%)	0.7%	(71.1%)	(72.2%)	(1.1%)
Gross profit	115.2	101.7	113%	433.8	356.1	122%
Gross profit margin (%)	29.5%	30.1%	(0.6%)	28.9%	27.8%	1.1%
Distribution and administration (D&A)	(48.8)	(32.2)	152%	(204.4)	(162.2)	126%
D&A/net sales (%)	(12.5%)	(9.5%)	3.0%	(13.6%)	(12.7%)	0.9%
Net other operating income/ (expense)	(7.7)	(21.9)	35%	(5.3)	(29.3)	18%
Net other operating income/ (expense) net sales (%)	(2.0%)	(6.5%)	4.5%	(0.4%)	(2.3%)	1.9%
EBIT	58.6	47.6	123%	224.1	164.7	136%
EBIT margin (%)	15.0%	14.1%	0.9%	14.9%	12.9%	2.0%
Net profit	(85.4)	19.3	-	(18.0)	62.8	-
Net profit margin (%)	(21.8%)	5.7%	-	(1.2%)	4.9%	-

Impact of closure of Lecico France on Lecico Egypt financial results:

Lecico's results for the quarter and the year have been somewhat obscured by the large write off incurred in closing the company's French operations. As described in earlier press releases and results notes, on October 31, 2013 Lecico France and its subsidiaries started the process of bankruptcy proceedings of all its companies under the management of a court appointed administrator.

Accordingly Lecico surrendered the management of these companies to the administrator appointed by the court. Ownership of these companies and balances due from them were therefore written-off at the end of October for a value of LE 103.0 million. The LE 103.0 million write off appears as part of the investment income/loss line on the profit and loss statement.

In the quarterly and annual results discussion and analysis below we will compare the results as reported and excluding the write-off of Lecico France in order to give a more accurate picture of development in ongoing business absent the impact of the write off.

4Q 2013: Revenue and profit growth offset by one-off cost in France

Lecico saw 16% year-on-year growth in revenues for the quarter driven by revenue growth in all segments on the back of volume growth in Egypt and export markets and better average pricing in sanitary ware and brassware.

Sanitary ware sales rose 12% year-on-year on the back of better pricing and a 6% growth in volumes driven by the Egyptian (2%) and export (14%) markets.

Tile sales rose 18% year-on-year driven by 18% increase in volumes as a result of strong growth in the Egyptian market (33%).

Gross profit increased by 13% to reach LE 115.2 million. The company's gross profit margin decreased 0.6 percentage points to 29.5% with improved gross margins in sanitary ware offset by lower margins year-on-year in tiles and brassware in the quarter.

In absolute terms, distribution and administration (D&A) expenses increased by 52% to LE 48.8 million. Proportional D&A expenses were up 3 percentage points to 12.5% of net sales compared to 9.5% in the fourth quarter of 2012.

Proportional D&A expenses were exceptionally low in the fourth quarter of 2012, but the fourth quarter of 2013 does show a slight increase over the year-to-date numbers due to LE 7.8 million in accruals made in France before the company surrendered control of the business.

The Company reported LE 7.7 million in net other operating expenses compared to LE 21.9 million in the fourth quarter of 2012.

EBIT increased by 23% to reach LE 58.6 million for the quarter with the EBIT margin up 0.9 percentage points year-on-year to 15.0% compared to 14.1% in the fourth quarter of 2012.

Lecico France's write-off resulted in a LE 103.0 million investment loss compared to no loss or gain in the same period last year.

Financing expenses were up 19% year-on-year during the fourth quarter of 2013 to reach LE 21.7 million compared to the same period in 2012 of LE 18.3 million

Lecico recorded a tax for the quarter of LE 11.7 million with LE 8.7 million in income tax charges. The write off of France was not deductible for Lecico Egypt so this charge needs to be compared to profits before tax excluding the write off. The effective tax rate is above normal for Lecico due to a greater percentage of profit coming from taxable entities during the quarter.

Employee profit participation increased by 36% to reach LE 6.5 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.

The company reported a net loss of LE 85.4 million compared to net profit of LE 19.3 million in the same period last year. If one strips out the one-off impact of Lecico France, net profits are down 9% year-on-year at LE 17.6 million with higher interest expenses and tax charges offsetting the gain in operating profits.

FY 2013: Increased sales and improved margins offset by France costs

Revenue was up 17% year-on-year in 2013 to reach LE 1,501.0 million with growth in revenues for all segments.

Gross profit rose 22% to reach LE 433.8 million and the gross profit margin improved by 1.1 percentage points year-on-year to reach 28.9%. 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 26% to LE 204.4 million, proportional D&A expenses rose 0.9 percentage points to 13.6% of net sales compared to 12.7% in 2012.

Net other operating expense was an LE 5.3 million expenses compared to a LE 29.3 million expenses in the same period last year.

EBIT rose 36% year-on-year to reach LE 224.1 million in 2013, with the EBIT margin up 2.0 percentage points at 14.9% compared to 12.9% for the same period of 2012.

Lecico France's write off of LE 103.0 million investment loss for Lecico Egypt.

Net financing expenses up 6 % year-on-year during 2013 to reach LE 92.4 million compared to LE 86.8 million despite LE 15.2 million in foreign exchange gain compared to LE 8.9 million gain in 2012.

Lecico's tax charges for 2013 were LE 24.3 million versus LE 8.6 million last year; with LE 19.9 million of the tax charge from income taxes. The write off of France was not deductible for Lecico Egypt so this charge needs to be compared to profits before tax excluding the write off. The effective tax rate is normal for Lecico given some of its manufacturing entities remain tax free for several more years.

The company reported a net loss of LE 18.0 million compared to net profit of LE 62.8 million last year. If one strips out the one-off impact of Lecico France, net profits would have grown 36% year-on-year to reach LE 85.1 million with the net profit margin improving 0.8 percentage points to reach 5.7%.

Segmental analysis

Sanitary ware

4Q: Sanitary ware sales volume increased by 6% or 87,000 pieces to 1.43 million pieces. The increase in volumes came from growth in exports, primarily from UK and Libyan markets.

Average sanitary ware prices were up 5% year-on-year to LE 127.5 per piece as a result of the price increases in Egypt and export markets over the course of the year.

Revenues rose 12% year-on-year at LE 182.0 million. Exports represented 53.4% of volumes compared to 50.0% in the fourth quarter of 2012.

Average cost was LE 97.5 per piece.

Sanitary ware gross profit margin rose 4.0 percentage points to reach 23.5% and gross profits rose 35% to LE 42.8 million.

Sanitary ware segmental analysis	4Q		%	FY		%
	2013	2012	13/12	2013	2012	13/12
Sanitary ware volumes (000 pcs)						
Egypt (000 pcs)	645	634	102%	2,494	2,125	117%
Lebanon (000 pcs)	21	37	56%	192	194	99%
Export (000 pcs)	763	671	114%	2,990	2,826	106%
Total sanitary ware volumes (000 pcs)	1,429	1,342	106%	5,676	5,145	110%
Exports/total sales volume (%)	53.4%	50.0%	3.4%	52.7%	54.9%	(2.2%)
Sanitary ware revenue (LE m)	182.0	162.2	112%	737.0	626.5	118%
Average selling price (LE/pc)	127.5	120.9	105%	129.8	121.8	107%
Average cost per piece (LE/pc)	97.5	97.2	100%	101.5	97.5	104%
Sanitary ware cost of sales	(139.2)	(130.5)	107%	(575.9)	(501.8)	115%
Sanitary ware gross profit	42.8	31.7	135%	161.1	124.7	129%
Sanitary ware gross profit margin (%)	23.5%	19.5%	4.0%	21.9%	19.9%	2.0%

FY: Sanitary ware sales volume increased by 10% or 531,000 pieces to 5.7 million pieces as a direct result of the increase demand in Egypt (369,000 pieces) and export (164,000 pieces).

Average sanitary ware prices up 7% year-on-year to LE 129.8 per piece.

Revenues were up 18% year-on-year at LE 737.0 million. Exports represented 52.7% of volumes compared to 54.9% in 2012.

Average cost was up 4% year-on-year at LE 101.5 per piece.

Sanitary ware gross profit margins increased by 2.0 percentage point's year-on-year in the first twelve months to reach 21.9% and gross profits increased by 29% to LE 161.1 million.

Sanitary ware export:

Sanitary ware exports increased 6% in 2013 over 2012 reflecting very strong growth in the UK and the Middle East – led by the recovery of the Libyan market – and marginally higher sales to the rest of Europe as new markets and OEM customers offset shrinking sales to Sanitec and France.

Sanitary ware exports by destination					
(000s pieces)	31-Dec-13	% of total	31-Dec-12	% of total	% 13/12
UK	1,062	36%	942	33%	113%
Sanitec	260	9%	415	15%	63%
France	175	6%	206	7%	85%
Europe	455	15%	385	14%	118%
Middle East	845	28%	726	26%	116%
Other	193	6%	151	5%	128%
Total exports	2,990	100%	2,826	100%	106%

Tiles

4Q: Tile sales volumes were up 18% year-on-year in the fourth quarter of 2013, to reach 9.25 million square meters.

Average net prices were flat at LE 21.5 per square meter.

Tiles revenues rose 18% year-on-year to LE 198.6 million.

Average costs rose 8% year-on-year to reach LE 14.0 per square meter.

Tile gross profit margins fell by 4.7 percentage points to reach 34.8% and gross profit for the quarter rose 4% year-on-year to reach LE 69.2 million.

Tile segmental analysis						
	4Q		%	FY		%
	2013	2012	13/12	2013	2012	13/12
Tile volumes (000 sqm)						
Egypt (000 sqm)	6,950	5,221	133%	23,910	20,933	114%
Lebanon (000 sqm)	409	426	96%	1,906	1,627	117%
Export (000 sqm)	1,891	2,192	86%	7,676	9,186	84%
Total tile volumes (000 sqm)	9,250	7,839	118%	33,492	31,746	105%
Exports/total sales volume (%)	20.4%	28.0%	(7.6%)	22.9%	28.9%	(6.0%)
Tile revenue (LE m)	198.6	168.3	118%	722.4	631.8	114%
Average selling price (LE/sqm)	21.5	21.5	100%	21.6	19.9	108%
Average cost per sqm (LE/sqm)	14.0	13.0	108%	13.8	12.8	108%
Tile cost of sales	(129.4)	(101.8)	127%	(460.7)	(405.7)	114%
Tile gross profit	69.2	66.5	104%	261.7	226.1	116%
Tile gross profit margin (%)	34.8%	39.5%	(4.7%)	36.2%	35.8%	0.4%

FY: Tile sales volumes were up 5% in 2013 to 33.49 million square meters compared to 31.75 million square meters last year.

Average net prices were up 8% year-on-year to reach LE 21.6 per square meter.

Tiles revenues rose 14% year-on-year to LE 722.4 million.

Average cost per square meter increased 8% to reach LE 13.8 per square meter.

Tile gross profit margins rose 0.4 percentage points to 36.2% and gross profits were up 16% year-on-year at LE 261.7 million.

Brassware

4Q: Sales volumes for fourth quarter rose 34% to reach 34,641 pieces compared to 25,827 pieces in fourth quarter of 2012. This growth in revenues shows improved retail and project penetration since the start of the year.

Average net prices rose 8% to reach LE 300.5 per piece.

Revenue for the quarter rose 44% year-on-year to reach LE 10.4 million.

Average cost per piece up 47% to LE 208.5 per piece reflecting the change in product mix.

Gross profit margins fell 18.6 percentage points to 30.6% and gross profits reached LE 3.2 million for the quarter.

Brassware segmental analysis	4Q		%	FY		%
	2013	2012	13/12	2013	2012	13/12
	Brassware volumes (pcs)					
Egypt (pcs)	34,307	23,168	148%	129,297	73,529	176%
Export (pcs)	334	2,659	13%	7,776	3,249	239%
Total brassware volumes (pcs)	34,641	25,827	134%	137,073	76,778	179%
Exports/total sales volume (%)	1.0%	10.3%	(9.3%)	5.7%	4.2%	1.5%
Brassware revenue (LE m)	10.4	7.2	144%	41.6	20.5	203%
Average selling price (LE/pc)	300.5	279.3	108%	303.4	267.2	114%
Average cost per piece (LE/pc)	208.5	141.8	147%	222.5	196.8	113%
Brassware cost of sales	(7.2)	(3.7)	197%	(30.5)	(15.1)	202%
Brassware ware gross profit	3.2	3.6	90%	11.1	5.4	205%
Brassware gross profit margin (%)	30.6%	49.2%	(18.6%)	26.7%	26.4%	0.3%

FY: Sales volume for the year rose 79% to 137,073 pieces.

Average prices rose 14% to LE 303.4 per piece and revenue rose 103% to reach LE 41.6 million.

Revenue for the year rose 103% year-on-year to reach LE 41.6 million accounting for 2.8% of Lecico revenues compared to 1.6% in 2012.

Average cost per piece rose 13% to reach LE 222.5 per piece.

The gross margin rose 0.3 basis points to 26.7% and gross profits for the year reached LE 11.1 million.

Financial position

The value of Lecico's assets increased 8% at the end of December 31, 2013 to reach LE 2,200.8 million. This figure is after the elimination of Lecico Frances assets which were valued at LE 140.2 million, the largest part of which being LE 123.0 million in inventories.

Total liabilities were up 17% at LE 1,370.6 million. Net debt to equity improved 2% to reach 0.72x compared to 0.74x at end of 2012. This figure is after the write-off of Lecico France which reduced equity by LE 105.7 million or 13%.

Net debt was reduced 6% (LE 36 million) to LE 597.4 million compared to LE 632.9 million at the end of 2012.

Recent developments and outlook

Outlook for 2014: The fourth quarter showed solid growth coming primarily from Egypt and exports to Libya and UK. 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.

Early indicators for the start of 2014 has seen lower demand than expected for sanitary ware in Egypt and Libya but the company remains optimistic that this will recover in the coming months. However, ongoing political events in Egypt and Libya 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 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. Early indicators for the start of the year support this positive outlook on the tiles segment.

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 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 related to the company's decision to hold large cash balances and the risk of increased contributions to the state 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 the company is hopeful that this will continue in 2014 despite continued sub-optimal conditions.

Lecico's exit from operations in France – and the subsequent shedding of the losses from that business – will significantly reduce costs in 2014.

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.

Dividend proposal and AGM

Lecico will hold its AGM on Monday, March 31st at 9:00am in the Imperial Ballroom at the Hilton Alexandria Corniche (544 El Geish Street, Sidi Bishr, Alexandria).

Lecico will be presenting a review of its annual financial performance as outlined in this document at the AGM. The Board of Directors and your management will continue to review the needs of the business as we move forward in order to determine and propose an appropriate cash dividend at the AGM.

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.

For additional information, please contact:

Taher G. Gargour
Telephone: +203 518 0011
Fax: +203 518 0029
E-mail: tgargour@lecico.com

Visit our website at: www.lecico.com

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						
(LE m)	4Q		%	FY		%
	2013	2012	13/12	2013	2012	13/12
Net sales	391.0	337.7	116%	1,501.0	1,278.8	117%
Cost of sales	(275.8)	(236.0)	117%	(1067.1)	(922.7)	116%
Gross profit	115.2	101.7	113%	433.8	356.1	122%
Gross margin (%)	29.5%	30.1%	(0.6%)	28.9%	27.8%	1.1%
Distribution expenses	(20.7)	(6.3)	329%	(76.7)	(57.3)	134%
Administrative expenses	(28.2)	(25.9)	109%	(127.7)	(104.9)	122%
Other Operating income	1.8	2.5	73%	15.0	6.3	238%
Other Operating expenses	(9.5)	(24.3)	39%	(20.3)	(35.6)	57%
Operating profit (EBIT)	58.6	47.6	123%	224.1	164.7	136%
Operating (EBIT) margin (%)	15.0%	14.1%	0.9%	14.9%	12.9%	2.0%
Investment revenues	0.0	0.0	-	3.3	3.3	-
Losses from deconsolidating of a subsidiary	(103.0)	0.0	-	(103.0)	0.0	-
Finance income	0.1	(0.5)	-	1.6	4.6	34%
Finance expense	(21.7)	(18.3)	119%	(92.4)	(86.8)	106%
Profits before tax and minority (PBTM)	(66.0)	28.8	-	33.6	85.7	39%
PBTM margin (%)	(16.9%)	8.5%	-	2.2%	6.7%	(4.5%)
Income tax	(8.7)	(0.4)	2164%	(19.9)	(9.1)	219%
Deferred tax	(3.0)	(4.3)	-	(4.4)	0.5	-
Net Profit after tax (NPAT)	(77.7)	24.1	-	9.3	77.1	12%
NPAT margin (%)	(19.9%)	7.1%	(27.0%)	0.6%	6.0%	(5.4%)
Employee profit participation	(6.5)	(4.8)	136%	(26.2)	(15.3)	171%
Net profit before minority interest	(84.2)	19.3	-	(17.0)	61.8	-
Minority interest	(1.2)	0.0	-	(1.1)	1.0	-
Net Profit	(85.4)	19.3	-	(18.0)	62.8	-
Net profit margin (%)	(21.8%)	5.7%	-	(1.2%)	4.9%	-

Lecico Egypt consolidated balance sheet

Balance Sheet (LE m)	31-Dec-13	31-Dec-12	FY13/FY12 (%)
Cash and short-term investments	350.0	212.7	165%
Inventory	567.9	576.1	99%
Receivables	374.3	341.3	110%
Related parties -debit balances	74.8	70.4	106%
Total current assets	1,366.9	1,200.5	114%
Net fixed assets	739.7	732.2	101%
Intangible assets	22.6	24.3	93%
Prepaid long-term rent	0.9	1.1	79%
Projects in progress	25.4	41.7	61%
Available for sale investments	5.3	4.8	110%
Long-term notes receivable	40.0	25.8	155%
Total non-current assets	833.9	829.9	100%
Total assets	2,200.8	2,030.5	108%
Banks overdraft	881.6	755.4	117%
Current portion of long-term liabilities	24.7	25.5	97%
Trade and notes payable	159.6	131.4	121%
Other current payable	168.3	105.2	160%
Related parties -credit balances	11.2	0.9	1248%
Provisions	46.6	51.8	90%
Total current liabilities	1,291.9	1070.2	121%
Long-term loans	41.2	64.7	64%
Other long-term liabilities	2.0	1.7	119%
Provisions	10.8	12.8	84%
Deferred tax	24.6	20.3	121%
Total non-current liabilities	78.6	99.5	79%
Total liabilities	1,370.6	1,169.7	117%
Minority interest	3.7	1.5	244%
Issued capital	400.0	400.0	100%
Reserves	350.3	321.2	109%
Retained earnings	94.3	75.3	125%
Net profit for the year	(18.0)	62.8	-
Total equity	826.6	859.3	96%
Total equity, minorities and liabilities	2,200.8	2,030.5	108%

Lecico Egypt consolidated cash flow

Cash flow statement (LE m)	FY		%
	2013	2012	13/12
Cash Flow from operating activities			
Net profit for the period	(18.0)	62.8	-
Depreciation and translation adjustment	94.3	88.9	106%
Fixed assets write off	5.9	-	-
Intangible assets amortisation and translation adjustment	(0.6)	(0.3)	217%
Intangible write off	2.6	-	-
Income tax expense	19.9	9.1	219%
Income tax paid	(5.6)	(10.2)	55%
Deferred income tax	4.3	(0.5)	-
Prepaid rent expense	0.2	0.3	93%
Capital gains	(4.1)	(0.5)	764%
Provided provisions and translation adjustment	16.6	26.4	63%
Impairment of inventory	0.8	0.0	0%
Provisions write off	(3.7)	-	-
Reversal of expired provision	(6.1)	(4.0)	152%
Employee share in net profit	26.2	15.3	171%
Increase (Decrease) in minority interest	2.1	0.1	2232%
Increase (Decrease) in translation reserve	25.3	10.8	235%
(Increase) Decrease in Inventory	6.3	(50.0)	-
(Increase) Decrease in Receivables	(40.6)	(32.8)	124%
Increase (Decrease) in Payables	76.4	65.3	117%
Utilised Provisions	(9.7)	(11.0)	88%
Increase (Decrease) in Other Long Term Liabilities	0.3	(31.8)	-
(Payments) / Received for acquiring current investment	(4.6)	14.4	-
Difference result from discounting of long term notes receivables	2.9	3.3	90%
Net cash from operating activities	191.5	155.4	123%
Cash flow from investing activities			
Additions to fixed assets and projects	(116.3)	(66.9)	174%
Intangible assets	(0.2)	(0.0)	-
Net change in available for sale investments	(0.5)	(0.2)	191%
Proceeds from sales of fixed assets	28.9	1.1	2557%
Increase (Decrease) in long-term notes receivable	(17.2)	(11.6)	149%
Net cash from investing activities	(105.3)	(77.6)	136%
Cash flow from financing activities			
Increase (Decrease) in long-term loans	(23.5)	(23.5)	100%
Increase (Decrease) in current portion of long term liabilities	(0.8)	(6.4)	13%
Dividends paid	(55.3)	(12.6)	439%
Net cash from financing activities	(79.6)	(42.5)	187%
Net change in cash & cash equivalent during the period	6.5	35.3	19%
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	(593.1)	(599.7)	99%