

To facilitate the comparison of year-on-year financial results, income statement figures for 1Q15 have been adjusted to reflect the divestment of ASEC Minya, ASEC Ready-Mix, Misr Cement Qena, Rashidi El-Mizan, Tanmeyah, and Mashreq by eliminating their figures from the consolidated results. Additionally, ASCOM's 1Q16 results were added to Qalaa's 1Q15 figures owing to ASCOM's income statement consolidation starting 3Q15.

## Qalaa Holdings Reports 1Q2016 Results

Qalaa reports Revenues of EGP 1,731.8 million in 1Q16, up 20% y-o-y compared to 1Q15 adjusted figures; EBITDA came in at EGP 143.2 million and bottom-line losses recorded EGP 242.7 million

### Highlights Consolidated Income Statement

1Q2016	
<b>Revenues</b> EGP 1,731.8 mn vs. EGP 1,441.0 mn in 1Q15 (adjusted)	<b>Contribution Margin</b> 34%
<b>EBITDA</b> EGP 143.2 mn vs. EGP 144.8 mn in 1Q15 (adjusted)	<b>Net Profit After Minority</b> EGP (242.7) mn vs. EGP (119.1) mn in 1Q15

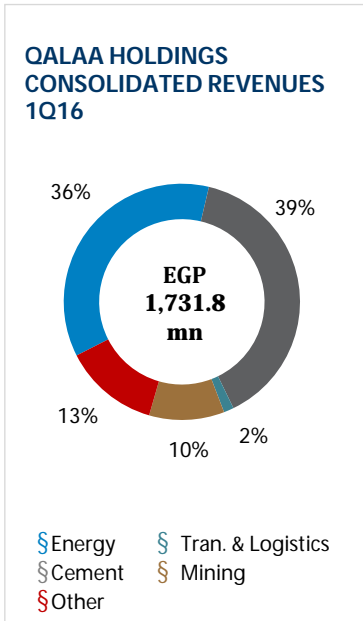
### Highlights from Consolidated Balance Sheet as at 31 March, 2016

<b>Total Assets</b> EGP 41,362.9 mn vs. EGP 37,176.7 mn in FY15	<b>Total Equity</b> EGP 11,625.7 mn vs. EGP 10,950.4 mn in FY15
---	---

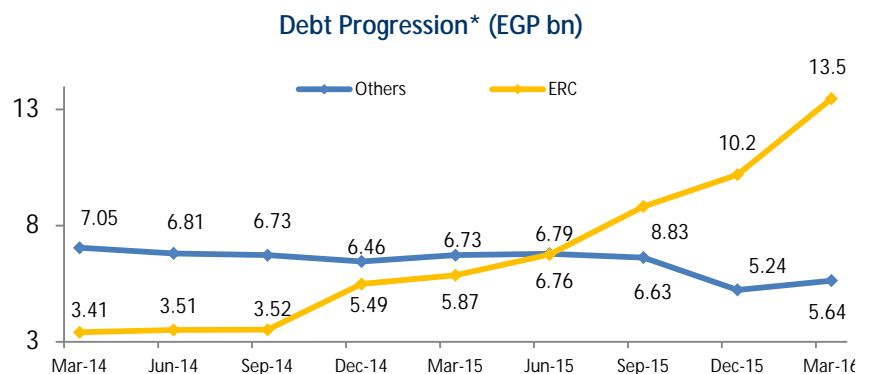
*"At the mid-way point in 2016, we are laser focused on our core energy units, Egyptian Refining Company and TAQA Arabia"*

### Financial & Operational Highlights

- Total revenues** saw a 20% increase y-o-y in 1Q16 to EGP 1,731.8 million compared to EGP 1,441.0 million (adjusted) during the same period last year. Comparative 1Q15 figures have been adjusted to reflect the divestment of ASEC Minya, ASEC Ready Mix, Misr Qena Cement, Rashidi El-Mizan, Tanmeyah & Mashreq, eliminating the figures of divested companies, Additionally, ASCOM's 1Q16 results were added to Qalaa's 1Q15 figures, owing to ASCOM's income statement consolidation starting 3Q15, for a more accurate comparison of year-on-year results.



- The largest **contributor to revenues** was the cement sector, with 39% of revenues, followed closely by the energy sector at 36%. Meanwhile, transportation and logistics contributed only 2% of revenues, down from 9% in 1Q15, on the back of management’s decision to classify Rift Valley Railways as a discontinued operation owing to its weak operational performance and need for additional capital.
- EBITDA** for the period stood at EGP 143.2 million, remaining somewhat flat compared to 1Q15 adjusted figure owing to higher SG&A expenses booked during the quarter primarily on the back of the Sudanese government levying state fees related to increased volumes at ASEC Cement’s Sudan subsidiary, Al Takamol Cement.
- Qalaa continued to push forward with its divestment strategy** in 1Q16 having concluded the sale of Misr Glass Manufacturing and Tanmeyah Microenterprise Services, booking a net capital gain of EGP 19.5 million.
- Net Loss after Minority Interest** stood at EGP 242.7 million in 1Q16, compared to the 1Q15 loss of EGP 119.1 million. Results were weighed down in part by non-cash charges, including consolidated FX losses of EGP 45 million on the back of the 14% devaluation of the EGP against the USD, as well as discontinued operations totaling EGP 94 million.
- Total debt** excluding Egyptian Refining Company (ERC) **as at 31 March 2016** stood at EGP 5.64 billion, with the devaluation of the EGP causing a EGP 0.40 billion increase over the previous quarter due to the USD-denomination of a portion of the company’s debt. The EGP 3.27 billion increase in ERC’s debt – from EGP 10.20 billion at the end of 2015 to EGP 13.47 billion at the end of 1Q16 – comes on the back of drawdowns on the company’s extended facilities. Meanwhile, RVR, which booked EGP 1.67 billion in debt at the end of last year, has been reclassified as liabilities held for sale.

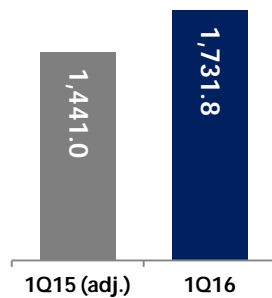


Management’s comment on 1Q16 results follows, as do overviews of the performance of different business units. Full financials are now available for download at [ir.qalaaholdings.com](http://ir.qalaaholdings.com).

\* The Debt Progression chart excludes Africa Railways’ debt balance owing to its reclassification as liabilities held for sales starting 1Q16

## Management Comment:

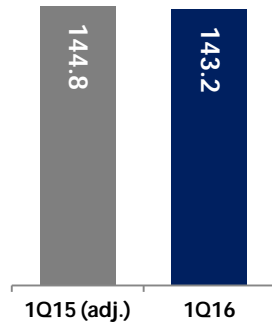
**REVENUE PROGRESSION**  
(Y-o-Y)  
(EGP bn)



Qalaa Holdings, an African leader in energy and infrastructure (CCAP.CA on the Egyptian Exchange, formerly Citadel Capital), released today its consolidated financial results for the quarter ending 31 March 2016, reporting a net loss after minority interest of EGP 242.7 million on revenues of EGP 1,731.8 million. Income statement figures for 1Q15 have been adjusted to facilitate the year-on-year comparison of financial results, reflecting the divestment of ASEC Minya, ASEC Ready-mix, Misr Cement Qena, Rashidi El-Mizan, Tanmeyah, and Mashreq by eliminating their figures from the consolidated results, as well as adding ASCOM's 1Q16 results to Qalaa's 1Q15 figures owing to ASCOM's full consolidation starting 3Q15.

Top-line growth was driven primarily by operational improvement at ASEC Cement's Sudan subsidiary Al-Takamol and Qalaa's energy generation and distribution platform, TAQA Arabia.

**EBITDA PROGRESSION\***  
(Y-o-Y)  
(EGP mn)

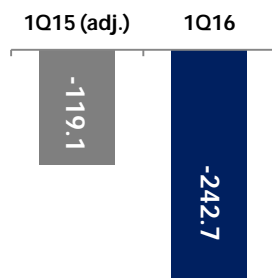


EBITDA for the period stood at EGP 143.2 million, remaining somewhat flat compared to 1Q15 adjusted figure. The muted performance at the EBITDA level is owing to increased SG&A expenses, primarily on the back of the Sudanese government levying state fees related to increased volumes at ASEC Cement's Sudan subsidiary, Al Takamol Cement.

"At the mid-way point in 2016, we are laser focused on our core energy units, Egyptian Refining Company and TAQA Arabia, and will continue to press forward with our divestment program," said Qalaa Holdings Chairman and Founder Ahmed Heikal. "On that front, ERC — Egypt's largest in-progress private-sector megaproject — is more than 85% complete and we expect to sell the first on-spec product in 2017 as planned, with the first full operational year expected to hike Qalaa's consolidated EBITDA in 2018."

Below the EBITDA line, the 14% devaluation in the EGP against the USD contributed the lion's share to the 15% year-on-year increase in bank interest expense to EGP 112.7 million. Additionally, Qalaa booked EGP 45.0 million in FX losses for the quarter, 74% higher than last year's EGP 25.9 million.

**NET PROFIT PROGRESSION**  
(Y-o-Y)  
(EGP mn)



Meanwhile, losses from discontinued operations stood at EGP 93.9 million in 1Q16, of which EGP 68 million were generated from Rift Valley Railways (RVR). Qalaa's management had concluded that additional capital is required to turnaround the company's weak operational performance and continued unprofitability. However, given the strategic direction of allocating full capacity and resources to core energy units, management decided to categorize RVR as a discontinued operation on Qalaa's income statement and a liability held for sales on its balance sheet. Qalaa will nevertheless continue to provide operational and managerial support to Rift Valley Railways, all while pushing ahead with the railway's three-point turnaround strategy.

"This year marks a critical point for Qalaa and the peak of our transformation strategy. Management is taking concrete steps and decisions in a clear direction that will stabilize the company's profitability, releasing insolvent investments

and enabling us to better direct our focus towards key value-adding projects with promising futures, all within the framework of a difficult economic context,” said Qalaa Holdings Co-founder and Managing Director Hisham El-Khazindar. “Our divestment strategy has seen the company generate net gains from the sale of investments, deconsolidate and repay a total of over EGP 2.4 billion in debt since the beginning of FY2015 to date, and clean up our books in preparation for the start of ERC’s production.”

During 1Q16, Qalaa continued to deliver on its divestment and deleveraging strategy having concluded the sale of Misr Glass Manufacturing (MGM), microfinance player Tanmeyah and cheese manufacturer El Misrieen, booking a net gain on sale of investments of EGP 19.5 million in 1Q16. Said gain, however, was insufficient to offset the increase in SG&A, bank interest and FX losses — on account of the EGP’s devaluation — leading the quarter to close at a Net Loss after Minority Interest of EGP 242.7 million, compared to the 1Q15 loss of EGP 119.1 million.

Total debt as at 31 March 2016 stood at EGP 5.64 billion excluding Egyptian Refining Company (ERC), climbing from EGP 5.24 billion at year-end 2015 on the back of the EGP’s devaluation against the USD and the consequent effect on dollar denominated debt balances.

It is worth noting that during the period between 1Q15 and 1Q16, Qalaa Holdings deconsolidated EGP 1.3 billion of debt through disposals and repaid an additional EGP 1.1 billion, both of which play into the reduction of financial and operational risk.

*Detailed overviews of the performance of operational companies in each of Qalaa’s core industries follow; complete financials are available for download on [ir.qalaaholdings.com](http://ir.qalaaholdings.com)*

## Methods of Consolidation

Fully Consolidate Companies	Energy	  
	Transportation & Logistics	
	Mining	
	Cement	
	Agrifoods	 
	Specialized Real Estate	
	Metallurgy	 
Equity Method Consolidated Companies (Share of Associates)	Mid-cap Buyouts	
	Media & Retail	

Qalaa Holdings Consolidated Income Statement (in EGP mn)

	Q1 2016	As Previously Presented Q1 2015	Restated (1) Q1 2015	Restated Incl. ASCOM 1Q16 (1) (2) Q1 2015
Revenue	1,731.8	1,947.5	1,262.8	1,441.0
Cost of Sales	(1,388.5)	(1,473.1)	(984.7)	(1,126.5)
<b>Gross Profit</b>	<b>343.3</b>	<b>474.5</b>	<b>278.0</b>	<b>314.5</b>
Advisory fee	2.4	3.2	3.2	3.2
Share in Associates' Results	14.1	34.8	7.1	7.1
<b>Total Operating Profit</b>	<b>359.8</b>	<b>512.4</b>	<b>288.3</b>	<b>324.7</b>
SG&A	(210.8)	(241.2)	(162.0)	(188.2)
Other Income/Expenses (Net)	3.4	2.7	7.2	10.8
<b>EBITDA (before one-offs)</b>	<b>152.4</b>	<b>273.8</b>	<b>133.5</b>	<b>147.3</b>
SG&A (Non recurring)	(9.2)	2.0	(2.5)	(2.5)
<b>EBITDA</b>	<b>143.2</b>	<b>275.8</b>	<b>131.0</b>	<b>144.8</b>
Depreciation & Amortization	(83.6)	(105.5)	(66.1)	(87.5)
<b>EBIT</b>	<b>59.6</b>	<b>170.3</b>	<b>64.9</b>	<b>57.3</b>
Bank Interest Expense	(112.7)	(165.8)	(88.7)	(97.7)
Bank PkK	(24.6)	(25.0)	(25.0)	(25.0)
Bank Fees (ERC-PkK)	(10.8)	(10.6)	(10.6)	(10.6)
3rd Party Shareholder	(0.5)	(1.9)	(0.7)	(1.7)
Interest Income	21.0	21.4	18.7	18.7
Lease Payments	(1.7)	(3.4)	(2.8)	(2.8)
<b>EBT (before one-offs)</b>	<b>(69.7)</b>	<b>(15.1)</b>	<b>(44.2)</b>	<b>(61.7)</b>
Gain (Loss) on Sale of Investments	19.5	(10.5)	(10.5)	(10.5)
Impairments/Write-downs	(5.0)	(4.1)	(4.1)	(5.4)
Restructuring Consulting Fees	(17.5)	-	-	-
Layoffs/Severances	(12.3)	(9.4)	(1.7)	(1.7)
CSR	(1.3)	(6.4)	(3.6)	(3.6)
Provisions	(25.9)	(13.8)	(13.8)	(14.2)
Discontinued Operations *	(93.9)	(58.6)	(73.4)	(73.4)
FOREX	(45.0)	(53.1)	(40.4)	(25.9)
<b>EBT</b>	<b>(251.1)</b>	<b>(170.9)</b>	<b>(191.7)</b>	<b>(196.4)</b>
Taxes	(41.8)	(41.2)	(20.4)	(24.6)
<b>Net P/L Before Minority Share</b>	<b>(292.9)</b>	<b>(212.0)</b>	<b>(212.0)</b>	<b>(220.9)</b>
Minority Interest	(50.2)	(99.9)	(99.9)	(101.9)
<b>Net Profit (Loss)</b>	<b>(242.7)</b>	<b>(112.2)</b>	<b>(112.2)</b>	<b>(119.1)</b>

1) Comparative figures restated to conform with the current period presentation. Restatements are for sold companies - ASEC Minya, ASEC Ready-Mix (ASEC Cement), Rashidi Al-Mizan & Rashidi for Integrated Foods (Falcon), Tanmeya, and Mashreq (Ledmore) - in addition to investments held for sale: Africa Railways (KURH) & Mena Home (Designopolis)

2) Qalaa Holdings increased its stake in ASCOM as of June 2015. Accordingly, we include ASCOM 1Q2016 results to the comparative period for accuracy.

\*\* Discontinued operations include:

- (1) Assets included in 2015 & 2016: ESACO, Dielfa (NDT), & Mena Home -
- (2) Assets sold in 2016 and with zero results in 2016: El-Aguizy, Enjoy, Mom's Food (Falcon)
- (3) Assets Reclassified and sold in 2016: Mashreq & Tanmeya
- (4) Assets that are held for sale in 2016: Africa Railways

Qalaa Holdings Consolidated Income Statement by Sector for the period ending 31 March 2016 (in EGP mn)

	QH	SPVs	Core					Non Core			Elimination	Q1 2016	Q1 2015
			Energy	TAWAZON	Cement & Holding	Transportation & Logistics	Mining	Agri-foods	Others				
Revenue	-	-	593.1	336	677.4	23.9	176.8	0.8	47.9	-	1,731.8	1,441.0	
Cost of Sales	-	-	(519.5)	(27.0)	(528.8)	(15.4)	(123.8)	(0.7)	(31.5)	-	(1,388.5)	(1,126.5)	
<b>Gross Profit</b>	-	-	<b>73.6</b>	<b>6.6</b>	<b>148.6</b>	<b>8.5</b>	<b>53.0</b>	<b>0.2</b>	<b>16.5</b>	-	<b>343.3</b>	<b>314.5</b>	
Advisor Fee	16.5	4.0	-	-	-	-	-	-	-	-	2.4	3.2	
Share in Associates' Results	-	-	-	-	13.3	1.1	-	-	-	(0.4)	14.1	7.1	
<b>Total Operating Profit</b>	<b>16.5</b>	<b>4.0</b>	<b>73.6</b>	<b>6.6</b>	<b>161.9</b>	<b>9.6</b>	<b>53.0</b>	<b>0.2</b>	<b>16.5</b>	<b>(18.5)</b>	<b>359.8</b>	<b>324.7</b>	
SG&A	(44.6)	(11.2)	(22.3)	(2.3)	(60.5)	(6.4)	(40.6)	(0.4)	(4.4)	16.4	(210.8)	(188.2)	
Other Income/Expenses (Net)	1.7	(1.5)	0.5	0.0	5.3	(0.2)	(5.6)	(0.5)	0.1	-	3.4	10.8	
<b>EBITDA (before one-offs)</b>	<b>(26.3)</b>	<b>(8.7)</b>	<b>(8.4)</b>	<b>4.4</b>	<b>106.7</b>	<b>3.0</b>	<b>6.9</b>	<b>(0.7)</b>	<b>12.1</b>	<b>(2.1)</b>	<b>152.4</b>	<b>147.3</b>	
SG&A (Non recurring)	(4.8)	-	-	-	(4.4)	-	-	-	0.0	-	(9.2)	(2.5)	
<b>EBITDA</b>	<b>(31.1)</b>	<b>(8.7)</b>	<b>(8.4)</b>	<b>4.4</b>	<b>102.3</b>	<b>3.0</b>	<b>6.9</b>	<b>(0.7)</b>	<b>12.2</b>	<b>(2.1)</b>	<b>143.2</b>	<b>144.8</b>	
Depreciation & Amortization	(0.5)	-	(10.9)	(2.8)	(20.7)	(7.7)	(12.4)	(3.0)	(2.9)	(1.2)	(83.6)	(87.5)	
<b>EBIT</b>	<b>(31.6)</b>	<b>(8.7)</b>	<b>(8.5)</b>	<b>40.9</b>	<b>81.6</b>	<b>(4.7)</b>	<b>(5.6)</b>	<b>(3.7)</b>	<b>9.2</b>	<b>(3.2)</b>	<b>59.6</b>	<b>57.3</b>	
Bank Interest Expense	(36.2)	(16.3)	(9.7)	(0.4)	(16.9)	(14.5)	(6.4)	(0.2)	(3.1)	-	(112.7)	(97.7)	
Bank PIK	-	(7.3)	-	-	(17.4)	-	-	-	-	-	(24.6)	(25.0)	
Bank Fees (ERC-PIK)	-	-	-	-	(10.8)	-	-	-	-	-	(10.8)	(10.6)	
3rd Party Shareholder	-	(29.5)	-	-	-	(3.7)	-	-	(4.3)	38.0	(10.8)	(10.6)	
Interest Income	13.9	18.6	0.6	23.4	5.5	0.0	0.1	-	0.0	(41.0)	(0.5)	(1.7)	
Lease Payments	-	-	-	-	-	(1.1)	(0.6)	-	-	(41.0)	21.0	18.7	
<b>EBT (before one-offs)</b>	<b>(54.0)</b>	<b>(43.2)</b>	<b>(18.7)</b>	<b>54.7</b>	<b>1.2</b>	<b>52.8</b>	<b>(12.6)</b>	<b>(3.9)</b>	<b>1.8</b>	<b>(6.3)</b>	<b>(69.7)</b>	<b>(61.7)</b>	
Gain (Loss) on Sale of Investments	-	179.2	-	-	-	-	24.6	-	-	(184.3)	19.5	(10.5)	
Impairments/Write-downs	5.0	(6.5)	-	(0.7)	(0.1)	-	(0.6)	-	(0.3)	(0.6)	(5.0)	(5.4)	
Restructuring Consulting Fees	(17.5)	-	-	-	-	-	-	-	-	-	(17.5)	(17.5)	
Layoffs/Severances	(3.1)	-	-	-	(9.2)	-	-	-	-	-	(12.3)	(1.7)	
CSR	-	-	-	(1.3)	-	-	-	-	-	-	(1.3)	(3.6)	
Provisions	-	(5.0)	-	(14.1)	(6.4)	-	(0.1)	-	(105.9)	-	(25.9)	(14.2)	
Discontinued Operations**	-	-	-	-	7.3	-	-	-	-	4.8	(93.9)	(73.4)	
FOREX	37.0	(30.9)	(1.1)	(6.3)	(1.1)	1.0	2.5	(21.1)	(18.1)	33.7	(45.0)	(25.9)	
<b>EBT</b>	<b>(32.6)</b>	<b>93.6</b>	<b>(19.8)</b>	<b>32.2</b>	<b>(10.6)</b>	<b>(23.0)</b>	<b>13.9</b>	<b>(25.0)</b>	<b>(122.4)</b>	<b>(152.7)</b>	<b>(251.1)</b>	<b>(196.4)</b>	
Taxes	(0.2)	(8.0)	(17.7)	0.1	(9.5)	(0.2)	(2.5)	-	0.3	0.1	(41.8)	(24.6)	
<b>Net P/L Before Minority Share</b>	<b>(32.8)</b>	<b>85.6</b>	<b>(19.8)</b>	<b>14.5</b>	<b>0.1</b>	<b>(20.1)</b>	<b>11.4</b>	<b>(25.0)</b>	<b>(122.1)</b>	<b>(152.6)</b>	<b>(292.9)</b>	<b>(220.9)</b>	
Minority Interest	-	-	(4.7)	7.8	57.5	(15.4)	0.0	(0.2)	(2.3)	(91.1)	(50.2)	(101.9)	
<b>Net Profit (Loss)</b>	<b>(32.8)</b>	<b>85.6</b>	<b>(15.2)</b>	<b>6.7</b>	<b>(0.1)</b>	<b>(7.8)</b>	<b>11.4</b>	<b>(24.8)</b>	<b>(119.9)</b>	<b>(61.5)</b>	<b>(242.7)</b>	<b>(119.1)</b>	

1) Comparative figures restated to conform with the current period presentation. Restatements are for sold companies - ASFC Miriya, ASFC Ready-Mix (ASFC Cement), Rashidi Al-Mizzan & Rashidi for Integrated Foods (Falcon), Tammeya, and Mashreq (Ledmore) - In addition to investments held for sale: Africa Railways (KURH) & Mena Home (Designopolis)

2) Qalaa Holdings increased its stake in ASCOM as of June 2015. Accordingly, we include ASCOM 1Q2016 results to the comparative period for accuracy.

\*\* Discontinued operations include:

- (1) Assets included in 2015 & 2016: ESACO, Djelfa (NDT), & Mena Home
  - (2) Assets sold in 2016 and with zero results in 2016: El-Aguizy, Enjoy, Mom's Food (Falcon)
  - (3) Assets Reclassified and sold in 2016: Mashreq & Tammeya
  - (4) Assets that are held for sale in 2016: Africa Railways
- ∧ Miscellaneous includes United Foundries, MENA Home, Crondall, Sphinx Egypt, Mashreq & Africa Railways

**Qalaa Holdings Consolidated Balance Sheet as at 31 March 2016 (in EGP mn)**

	QH	Core					Non Core			Eliminations/ SPVs	Q1 2016	FY 2015	
		Energy	Cement	T & L	Mining	Agrifoods	Misc*	Wafra					
		ERC	TAQA Arabia	Tawazon	ASEC Holding	Nile Logistics	ASCOM	Gozour	Wafra				
<b>Current Assets</b>													
Trade and Other Receivables	1,214.5	254.3	954.6	104.5	1,495.2	62.0	227.8	93.9	15.1	286.7	(1,468.1)	3,240.6	3,131.6
Inventory	-	-	135.6	55.1	599.1	14.2	52.6	68.4	7.1	24.0	-	956.1	1,016.8
Assets Held For Sale	-	-	-	-	1,078.1	-	-	109.0	-	2,477.0	687.0	4,351.0	2,473.5
Cash and Cash Equivalents	268.1	1,962.3	850.5	6.5	137.3	7.3	16.7	18.4	13.5	2.7	25.4	3,308.5	3,353.0
Others	-	-	15.9	-	20.1	-	-	29.1	1.2	-	1.2	67.5	76.6
<b>Total Current Assets</b>	<b>1,482.6</b>	<b>2,216.6</b>	<b>1,956.6</b>	<b>166.1</b>	<b>3,329.7</b>	<b>83.4</b>	<b>297.2</b>	<b>318.7</b>	<b>36.9</b>	<b>2,790.4</b>	<b>(754.6)</b>	<b>11,923.7</b>	<b>10,051.5</b>
<b>Non-Current Assets</b>													
PP&E	28.4	20,462.4	544.0	92.4	1,227.8	594.5	677.1	787.3	268.5	56.6	502.2	25,241.3	22,053.2
Investments	8,992.0	-	0.7	-	420.2	10.9	0.1	-	-	-	(8,496.5)	927.3	1,035.3
Goodwill / Intangible assets	-	-	405.7	32.6	2.5	-	278.0	-	-	-	954.4	1,673.2	2,514.9
Others	820.1	1,146.7	33.4	-	28.2	-	-	256.0	-	133.2	(820.1)	1,597.5	1,521.7
<b>Total Non-Current Assets</b>	<b>9,840.5</b>	<b>21,609.1</b>	<b>983.9</b>	<b>125.0</b>	<b>1,678.7</b>	<b>605.4</b>	<b>955.1</b>	<b>1,043.3</b>	<b>268.5</b>	<b>189.8</b>	<b>(7,859.9)</b>	<b>29,439.3</b>	<b>27,125.1</b>
<b>Total Assets</b>	<b>11,323.1</b>	<b>23,825.7</b>	<b>2,940.4</b>	<b>291.1</b>	<b>5,008.4</b>	<b>688.8</b>	<b>1,252.3</b>	<b>1,362.1</b>	<b>305.4</b>	<b>2,980.2</b>	<b>(8,614.5)</b>	<b>41,362.9</b>	<b>37,176.7</b>
<b>Shareholders' Equity</b>													
<b>Total Equity Holders of the Company</b>	<b>8,350.5</b>	<b>4,470.4</b>	<b>1,016.0</b>	<b>101.8</b>	<b>(793.0)</b>	<b>(159.9)</b>	<b>335.2</b>	<b>487.3</b>	<b>(378.9)</b>	<b>(565.3)</b>	<b>(10,155.7)</b>	<b>2,708.6</b>	<b>2,797.9</b>
Minority Interest	-	4,546.5	291.9	55.7	1,253.5	(3.2)	(37.6)	0.0	(10.9)	10.4	2,810.6	8,917.1	8,152.5
<b>Total Equity</b>	<b>8,350.5</b>	<b>9,017.0</b>	<b>1,307.9</b>	<b>157.6</b>	<b>460.6</b>	<b>(163.1)</b>	<b>297.6</b>	<b>487.3</b>	<b>(389.7)</b>	<b>(554.8)</b>	<b>(7,345.1)</b>	<b>11,625.7</b>	<b>10,950.4</b>
<b>Current Liabilities</b>													
Borrowings	1,553.7	-	81.7	22.8	284.3	472.5	187.6	33.5	24.9	53.3	401.5	3,115.6	3,441.8
Trade and Other Payables	572.7	745.0	1,054.5	64.1	2,085.4	284.4	325.2	4,190	658.1	189.1	(953.9)	5,443.5	6,396.1
Provisions	230.2	-	87.8	34.5	188.8	8.1	18.9	9.2	2.3	11.1	78.0	669.0	620.5
Liabilities Held For Sale	-	-	-	-	529.4	-	-	253.8	-	3,016.8	(501.3)	3,298.6	1,013.4
<b>Total Current Liabilities</b>	<b>2,356.6</b>	<b>745.0</b>	<b>1,224.0</b>	<b>121.4</b>	<b>3,087.8</b>	<b>764.9</b>	<b>531.7</b>	<b>715.4</b>	<b>685.3</b>	<b>3,270.3</b>	<b>(975.7)</b>	<b>12,526.7</b>	<b>11,471.8</b>
<b>Non-Current Liabilities</b>													
Borrowings	616.0	13,471.4	216.8	-	616.1	-	338.5	128.7	9.9	5.9	590.7	15,993.9	13,671.8
Shareholder Loan	-	-	-	-	806.0	86.9	74.9	-	-	253.7	(1,198.4)	23.1	24.5
Long-Term Liabilities	-	592.3	191.8	12.1	37.8	-	9.6	30.6	-	5.2	314.0	1,193.4	1,058.2
<b>Total Non-Current Liabilities</b>	<b>616.0</b>	<b>14,063.7</b>	<b>408.6</b>	<b>12.1</b>	<b>1,460.0</b>	<b>86.9</b>	<b>423.0</b>	<b>159.3</b>	<b>9.9</b>	<b>264.8</b>	<b>(293.7)</b>	<b>17,210.5</b>	<b>14,754.5</b>
<b>Total Liabilities</b>	<b>2,972.6</b>	<b>14,808.7</b>	<b>1,632.6</b>	<b>133.5</b>	<b>4,547.8</b>	<b>851.9</b>	<b>954.7</b>	<b>874.7</b>	<b>695.1</b>	<b>3,535.1</b>	<b>(1,269.4)</b>	<b>29,737.2</b>	<b>26,226.3</b>
<b>Total Equity and Liabilities</b>	<b>11,323.1</b>	<b>23,825.7</b>	<b>2,940.4</b>	<b>291.1</b>	<b>5,008.4</b>	<b>688.8</b>	<b>1,252.3</b>	<b>1,362.1</b>	<b>305.4</b>	<b>2,980.2</b>	<b>(8,614.5)</b>	<b>41,362.9</b>	<b>37,176.7</b>

\* Miscellaneous includes Mashreq, Africa Railways, United Foundries, Mena Home, Crondall & Sphinx Egypt.





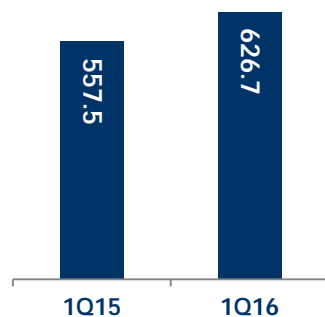
## Sector Review: Energy

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

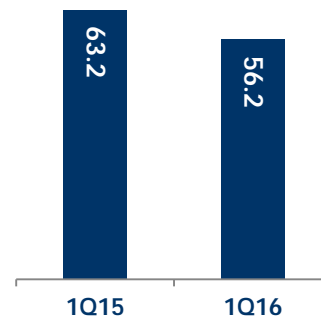
## Operational and Financial Performance

Revenues from the energy division climbed 12% y-o-y in 1Q16 to EGP 626.7 million compared to the EGP 557.5 million posted in the same period last year. At the EBITDA level, the division recorded EGP 56.2 million for the quarter, down 11% y-o-y from 1Q15 figure of EGP 63.2 million, primarily due to doubtful receivables at some of TAQA's off-shore companies as well as a drop in ENTAG's operations. Top-line improvement is attributable to better performance at TAQA Arabia.

**Energy Revenues<sup>1</sup>**  
(EGP mn)



**Energy EBITDA<sup>1</sup>**  
(EGP mn)



(EGP mn unless otherwise stated)	1Q15	1Q16	%diff
TAQA Arabia Revenues	519.4	593.1	14%
TAQA Arabia EBITDA	57.4	51.8	(10%)
Tawazon Revenues	38.1	33.6	(12%)
Tawazon EBITDA	5.8	4.4	(25%)

<sup>1</sup> Energy revenues and EBITDA are aggregate figures, representing the simple summation of TAQA Arabia and Tawazon's figures, as these are the only two operational companies within the Energy sector.

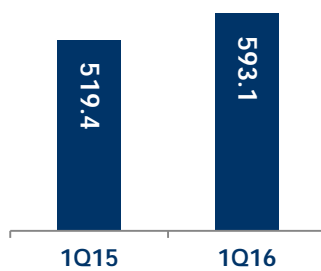


QH OWNERSHIP — 62.5%

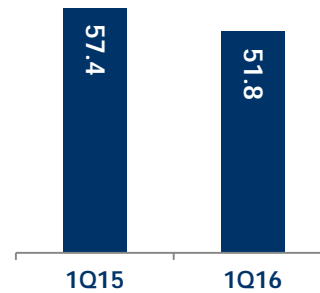
## TAQA Arabia reports an 14% y-o-y increase in Revenues in 1Q16

Egypt's leading independent energy company posted a 14% y-o-y increase in revenues to EGP 593.1 million in the first quarter of 2016. Revenue growth was driven primarily by solid performance across its gas and marketing arms having recorded top-line y-o-y growth of 16% and 24%, respectively in 1Q16. Meanwhile, TAQA reported EBITDA of EGP 51.8 million in 1Q16, down 10% compared to 1Q15 figure of EGP 57.4 million.

Consolidated TAQA Arabia  
**Revenues**  
(EGP mn)



Consolidated TAQA Arabia  
**EBITDA**  
(EGP mn)



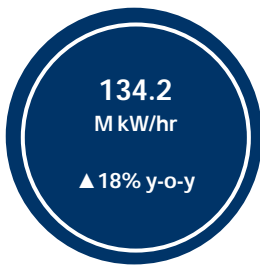
TAQA's Marketing arm continued to be the highest contributor to revenues at 60% or EGP 356.0 million in 1Q16. The division's revenue growth was a solid 24% y-o-y on the back of improvements in all key operational metrics, namely fuel and lube distribution, up by 20% and 27% y-o-y to 150 thousand liters and 650 tons, respectively. This was largely driven by an overall increase in number of filling stations to 45 compared to the 41 operational stations in the same period last year. Filling stations include 7 CNG and 38 fueling stations.

Revenues from TAQA's Power division meanwhile were up a slight 4% y-o-y in 1Q16 to EGP 107.0 million compared to the EGP 102.5 million posted in the same period last year. The subdued performance is owing to the downturn faced across Egypt's tourism sector following a series of incidents in 4Q15. EBITDA meanwhile declined by 8% y-o-y in 1Q16 to EGP 21.7 million on the back of decreased number of customer service billings for industrial clients, which typically carry higher profitability margins. TAQA Arabia generated and distributed a total of 134.2 M kW/hr in 1Q16, up by 18% y-o-y. TAQA continues to make headway with its plans to commission 2\*50 MW solar power plants, expected to drive significant growth in the company's power generation capacity once finalized.

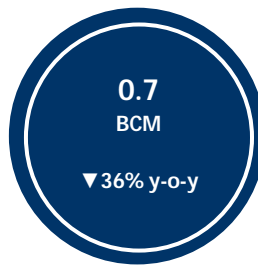
Lastly, the company's gas distribution and construction division reported a 16% y-o-y increase in 1Q16 revenues to EGP 149.7 million. However, provisions taken against doubtful receivables from the E-Styrenics project saw the division's EBITDA drop 26% y-o-y to EGP 25.3 million in 1Q16. It is worth noting here that EBITDA generated from local operations increased by 8% y-o-y. Total distributed gas volumes stood at 0.7 BCM in 1Q16, down by 36% compared to the 1.1 BCM distributed in the same period last year. It is worthy to mention that gas volumes are expected to persist at the current levels until the Zohr gas field project comes on stream. Meanwhile, total number of converted household clients increased 15% y-o-y in 1Q16 to stand at a cumulative 747 thousand clients.

TAQA Arabia Subsidiaries (EGP mn)	1Q15	1Q16	% diff
TAQA Arabia Power Revenues	102.5	107.0	4%
TAQA Arabia Power EBITDA	23.6	21.7	(8%)
TAQA Arabia Gas Revenues	129.5	149.7	16%
TAQA Arabia Gas EBITDA	34.3	25.3	(26%)
TAQA Marketing Revenues	287.8	356.0	24%
TAQA Marketing EBITDA	7.1	9.3	31%

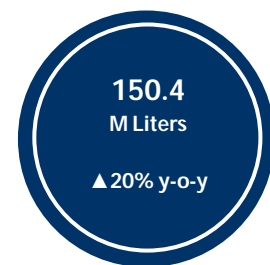
Total Power Generated & Distributed\* (1Q16)



Total Gas Distributed (1Q16)



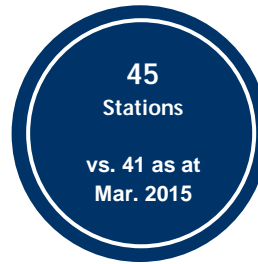
Total Liquid Fuels Distributed (1Q16)



Gas Construction (1Q16)



Fueling Stations (March 2015)

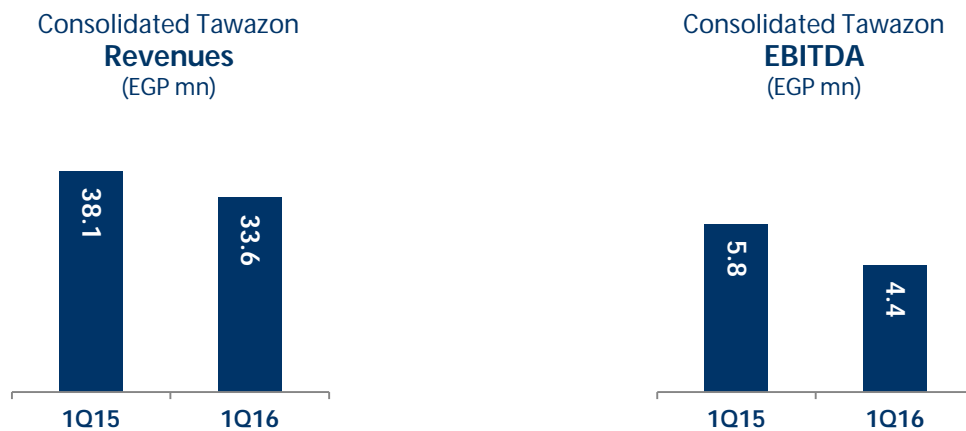


\* Of the total, 63.0% is distributed while the remainder is generated.

## Tawazon reports a 12% y-o-y decline in revenues to EGP 33.6 million in 1Q16

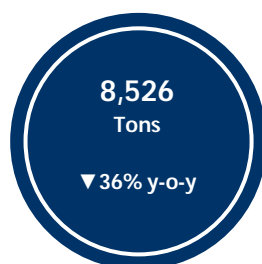
**Tawazon**, Qalaa Holdings' solid waste management subsidiary, reported revenues of EGP 33.6 million in 1Q16, down by 12% y-o-y compared to last year's figure of EGP 38.1 million. Top-line performance filtered to the EBITDA having recorded EGP 4.4 million during the quarter, down by 25% y-o-y compared to 1Q15 figure of EGP 5.8 million. The decline in Tawazon's performance comes largely due to a slowdown at subsidiary company **ENTAG**.

**ECARU** meanwhile, posted an impressive 34% y-o-y increase in revenues to EGP 31.7 million in 1Q16, compared to EGP 23.7 million recorded in the same period last year. EBITDA came in at EGP 5.6 million in 1Q16, up a slight 3% y-o-y over 1Q15 figure of EGP 5.5 million. ECARU's improved performance is owing to several factors, namely an increase in revenues from supplied biomass by some 20% y-o-y on the back of higher selling prices that offset the 36% y-o-y decline in volumes; higher revenues from refused-derived fuels (RDF) which contributed an additional EGP 5.8 million to the company's top-line, up by 150% y-o-y compared to last year's contribution and; an increase in revenues generated from municipal solid waste (MSW) tipping fees, primarily due to higher tonnage received at the Dakahleya plant.



However, the improved performance at ECARU was offset by the slowdown at **ENTAG** where revenues declined by 80% y-o-y in 1Q16 to EGP 3.3 million. The drop in revenues is primarily owing to zero contribution from the Salalah project in Oman following its completion; the project had accounted for some EGP 11.4 million during 1Q15. This accompanied by the absence of major turnkey projects, ENTAG's operations during the quarter was mostly supply of equipment to its sister company, ECARU. The decline in revenues saw EBITDA turn a negative EGP 1.0 million in 1Q16 compared to EGP 0.8 million in the same period last year.

### Total Biomass Supplied (ECARU) (1Q16)





QH OWNERSHIP —  
18.9%

## Overall Construction progress for ERC reached 85% as of April 2016



**Egyptian Refining Company (ERC)** is building a US\$ 3.7 billion greenfield petroleum refinery in the Greater Cairo Area (GCA) to begin operations during 2017 with 2018 to be the refinery's first full year of operations. GS Engineering & Construction Corp, the general contractors for the project, took full receipt of the project site in early 2014; construction progress was 85% as of end of April 2016. Qalaa Holdings expects ERC to generate EBITDA of c. US\$ 500 million in its first full operational year.

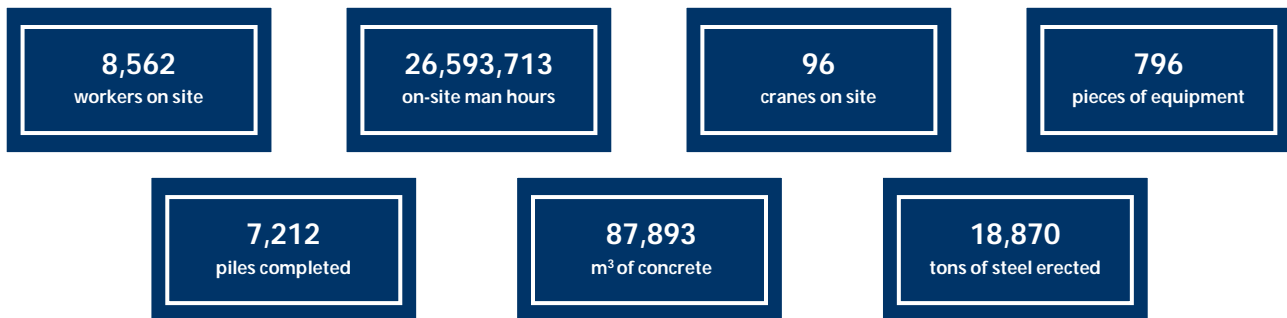


*ERC's construction site*



*All of ERC's equipment have been received on site*

All of ERC's equipment has been received at the construction site, with installed pieces of equipment standing at 796 pieces as at the end of April 2016 out of a total 1,144 pieces. During the first four months of the year, there has been an exponential rise in the cubic meter amount of poured concrete, reaching 87,893 cubic meters or 88% of total concrete work at the site. Meanwhile, tons of steel erected stood at 18,870 tons or 77% of total steel works. From October 2015 through March 2016, ERC withdrew some USD 330 million, bringing the total debt withdrawn to c.USD 1,680 million from its extended facility totaling USD 2,500 million. Key milestones in the build-out of ERC include:





### Sector Review: Transportation & Logistics

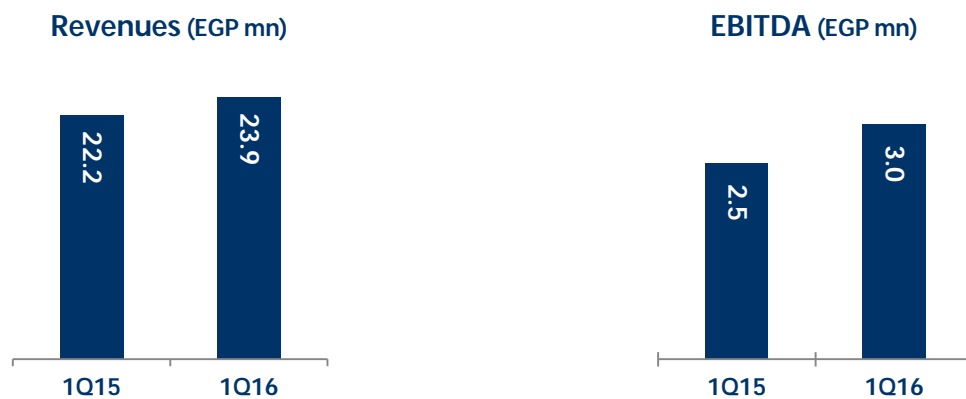
Qalaa Holdings’ operational Transportation & Logistics companies include Nile Logistics (seaport services in Egypt as well as river transportation in Egypt, Sudan and South Sudan) and Rift Valley Railways (the national railway of Kenya and Uganda), which as of 1Q16 has been classified as a discontinued operation.

### Operational and Financial Performance

**Nile Logistics** recorded revenues of EGP 23.9 million in 1Q16, up 7.6% year-on-year compared to the EGP 22.2 million posted in 1Q15. At the EBITDA level, Nile Logistics generated EGP 3.0 million compared to EGP 2.5 million for the same period last year – a 20% improvement



### Nile Logistics reports 20% y-o-y growth in EBITDA to EGP 3.0 million in 1Q16



Nile Logistics’ Feeder Services saw volume of Twenty-foot Equivalent Units (TEUs) handled record an increase to 8,579 TEUs in 1Q16, up from nearly 6,213 TEUs in 1Q15. The feeder service in Port Said also benefited from the higher USD/EGP rate as it charges container handling fees in USD while its costs are in EGP.

Meanwhile, stevedoring tons handled came in at 272,516 tons, 4% less than the 282,549 tons handled last year, on the back of the lack of availability of USD, negatively affecting imports as well as the vacating of the company’s 100,000 sqm plot in Nubareya — in preparation for it to be utilized for container storage and to erect

grain silos. This meant that most of the company's stevedoring revenues for the quarter were generated out of Adabeya Port.

**Nile Barges** (South Sudan) meanwhile benefited from the significant devaluation of the South Sudanese Pound (SSP) against the USD as the company charges its rates in USD while paying costs and expenses in SSP, leading to an impressive EBITDA margin of 77% for the first quarter of the year.

**Stevedoring Tons Handled  
(1Q16)**



**Container Transshipment  
(1Q16)**







### Sector Review: Mining

Qalaa Holdings’ operational platform in the Mining sector is ASCOM, which includes operating companies ASCOM (as standalone and leading provider of quarrying services), ASCOM for Chemicals and Carbonates Manufacturing (ACCM), ASCOM Precious Metals (APM), GlassRock, and ASCOM Sudan. Starting 2Q15, ASCOM’s balance sheet was fully consolidated with Qalaa Holdings, while the consolidation of its income statement took effect starting 3Q15.

### Operational and Financial Performance

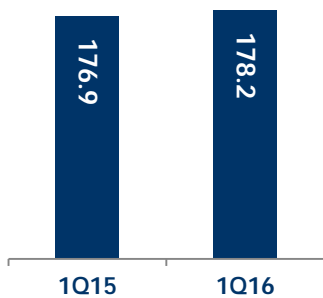
ASCOM’s consolidated revenues in 1Q16 came in at EGP 178.2 million, almost equal to last year’s figure of EGP 176.9 million, filtering into an EBITDA of EGP 13.8 million compared to negative EGP 0.5 million in 1Q15 – a significant year-on-year improvement considering no increase in revenues. The healthy surge in EBITDA is primarily due to the successful management of product-mix pricing as well as effective cost management.



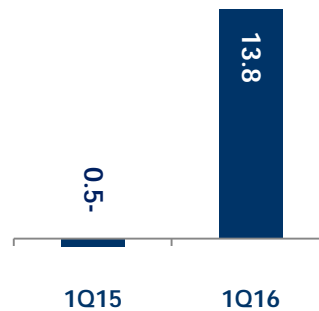
QH OWNERSHIP — 54.7%

ASCOM revenues remain flat y-o-y in 1Q16 at EGP 178.2 mn

ASCOM Consolidated Revenues (EGP mn)



ASCOM Consolidated EBITDA (EGP mn)



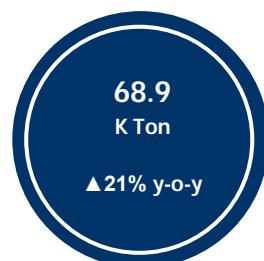
ASCOM Subsidiaries (EGP mn unless otherwise stated)	1Q15	1Q16	%diff
ACCM Revenues (in USD mn)	4.1	4.9	20%
ACCM EBITDA (in USD mn)	0.7	0.9	23%
GlassRock Revenues (in USD mn)	1.0	1.6	57%
GlassRock EBITDA (in USD mn)	(0.5)	(0.3)	(45%)
Egypt Quarrying Revenues	104.7	88.8	(15%)
Egypt Quarrying EBITDA	8.0	2.1	(74%)
Other Quarry Management Revenues - ex Egypt*	34.5	36.3	5%
Other Quarry Management EBITDA - ex Egypt*	(9.4)	5.6	n/a

ACCM's revenues in 1Q16 improved by 20% year-on-year to USD 4.9 million compared to USD 4.1 million in 1Q15. The growth in revenues is primarily due to higher sales in the export market; following a transition period of almost five months from the Indian market, the company began capturing higher demand in the Gulf and South African markets. Export volumes rose from 12 Ktons in 1Q15 to 34 Ktons in 1Q16, leading to an overall increase in volumes by 21% year-on-year.

ASCOM's **Egypt Quarrying** revenues came in at EGP 88.8 million in 1Q16, a 15% decrease year-on-year, due to the company's completion of higher margin contracts at the end of 2015. This also led to a 74% year-on-year drop in EBITDA, reaching EGP 2.1 million compared to EGP 8.0 million last year. Meanwhile, **Other Quarry Management** saw a 5% year-on-year increase in revenues as well as a significant improvement in EBITDA, recording EGP 5.6 million in 1Q16 compared to negative EGP 9.4 million last year. The increase in EBITDA is mainly owing to a modified accounting treatment of FX gains generated in Sudan, which the company's auditors view as an operational income fully generated out of operational revenues and hence have been included above the EBITDA line starting the fourth quarter of 2015.

In mining, ASCOM has several concessions in Sudan and Ethiopia that it uses for exploration of gold, silver and copper. At its western Ethiopian concession, ASCOM's exploration drilling yielded very promising results and the company released its Maiden Mineral Resource Estimate putting gold resources in place at a total of 1.5 million ounces at 1.5 grams per ton. ASCOM is embarking on further exploration drilling work on site as well as on a full bankable feasibility study, which should precede a full mining license and ultimately a gold production facility.

### ACCM Volumes Sold (1Q16)



### Egypt Quarrying Business Volumes Sold (1Q16)



## Cement Sector Review



### Sector Review: Cement

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

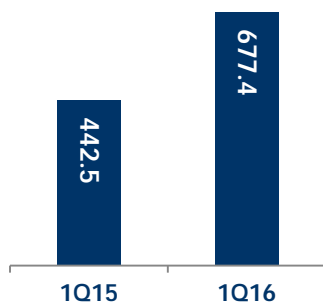
## Operational and Financial Performance

The Cement sector includes three divisions: Cement, Construction and Management. ASEC Holding's consolidated revenues increased by 53% y-o-y in 1Q16 to EGP 677.4 million, compared to EGP 442.5 million in 1Q15. It is worth noting that during 2015, Qalaa reduced its exposure to the cement industry, with ASEC Cement concluding the sale of its stake in business unit Misr Cement Qena in a deal valued at c. EGP 700 million, as well as exiting ASEC Minya and ASEC Ready-Mix in a c. EGP 1 billion deal.

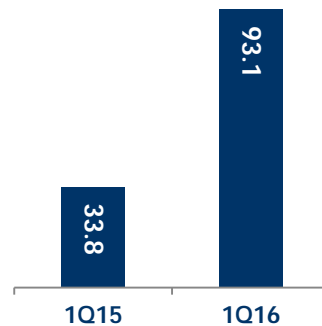


QH OWNERSHIP — 69.2%

**ASEC Holding Consolidated Revenues**  
(EGP mn)



**ASEC Holding Consolidated EBITDA**  
(EGP mn)

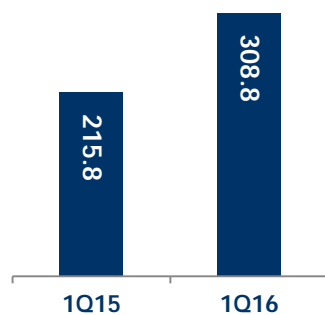




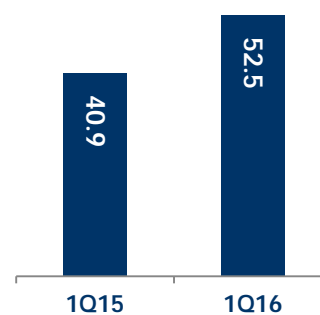
ASEC HOLDING OWNERSHIP — 59.9%

## ASEC Cement reports 43% y-o-y growth in 1Q16 revenues on the back of higher ATCC volumes

**ASEC Cement Revenues**  
(EGP mn)



**ASEC Cement EBITDA**  
(EGP mn)



For the sake of a more accurate gauge of **ASEC Cement's** financial and operational performance, 1Q15 figures were adjusted to reflect Qalaa's reduced exposure to the cement industry following its exits from ASEC Minya, ASEC Ready Mix and Misr Cement Qena during the second half of 2015. ASEC Cement's financials are thus comprised only of Al-Takamol Cement in Sudan and Zahana in Algeria, with the latter being reflected in the Share of Associates' results. Segment revenues and EBITDA (statutory) are the actual fully-consolidated figures reflecting eliminations.

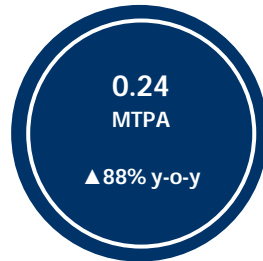
**Al-Takamol Cement's** 1Q16 revenues rose 36% over the same period last year, coming in at EGP 308.8 million compared to EGP 227.2 million. The sizable growth in revenues is primarily thanks to the company's record production of about 280,000 tons during the quarter, 40% higher than the same period last year, indicative of excellent operational management and owing to state-of-the-art technology. The increase in revenues filtered down into a 24% increase in EBITDA, reaching EGP 63.7 million compared to EGP 51.3 million in the first quarter of 2015. Technical difficulties faced by competing plants positioned the company to increase its market share to 33% at the end of 2015 compared to an average of 24% during the year, with current figures adjusted back to around 30% as some plants that had previously halted and/or paused production are back on track.

At the EBITDA level, the cement segment reported EGP 52.5 million in 1Q16, up 29% year-on-year.

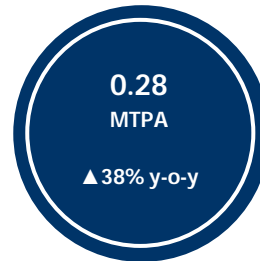
ASEC Cement Subsidiaries (EGP mn)	1Q15	1Q16	%diff
Al-Takamol Cement Co. Revenues	227.2	308.8	36%
Al-Takamol Cement Co EBITDA	51.3	63.7	24%
Zahana (Algeria) Revenues*	58.5	105.8	81%
Zahana (Algeria) EBITDA*	14.6	47.7	228%

\* Zahana is consolidated using the equity method (share of associates)

**Total Sales Volume  
(Zahana) (1Q16)**

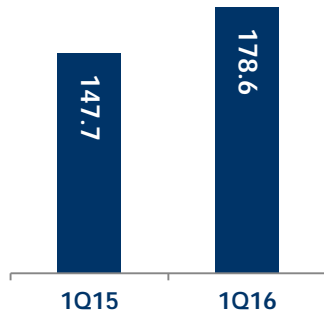


**Total Sales Volume  
(Al-Takamol) (1Q16)**

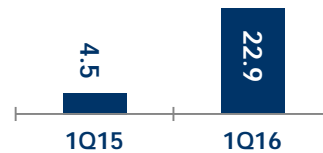


ASEC Engineering revenues climb 21% y-o-y; EBITDA increases over five-fold

**ASEC Engineering Revenues**  
(EGP mn)

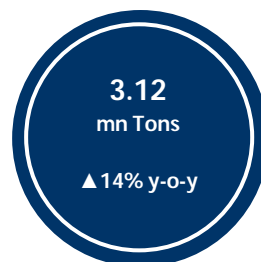


**ASEC Engineering EBITDA**  
(EGP mn)



**ASEC Engineering** manages plants in Egypt with a combined capacity of 13.5 MTPA, or 3.4 million tons per quarter, with 1Q16 production increasing to 3.1 million tons from 2.7 million tons during the same period last year, an improvement of 14%. 1Q16 revenues reached EGP 178.6 million, climbing 21% year-on-year on the back of a price adjustment in the fee per ton in most of the company's contracts. Total revenues included a contribution of EGP 18.5 million from overseas technical management projects with an average GP margin of 32 to 35% due to their nature as manpower-based projects without spare parts. Additionally, all overseas projects are signed in USD, which translates into higher profitability. It is important to note that the cost structure of ASEC Engineering is nearly 100% fixed, meaning that once the company reaches a certain amount of revenues that cover all fixed COGS, all additional revenues become almost entirely profit and flow directly to enhancing margins. Moreover, the company is making an effort to improve its preventative maintenance measures, thus reducing consumption of spare parts and resulting in significant cost savings.

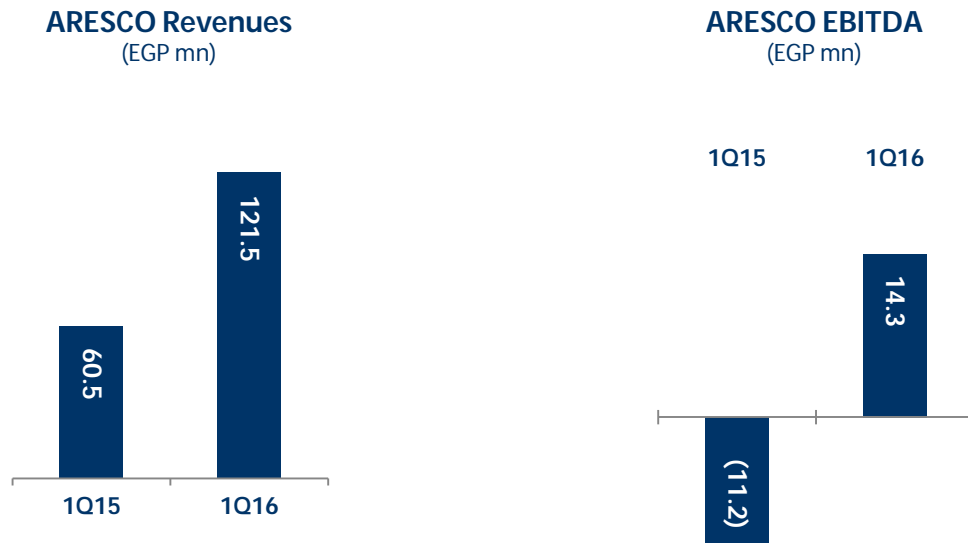
**Managed Clinker Production**  
(1Q16)





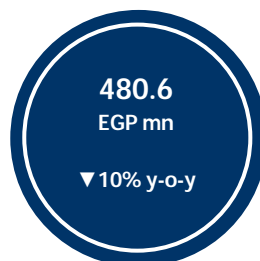
ASEC HOLDING OWNERSHIP — 99.9%

ARESCO reports over a two-fold increase in revenues y-o-y to EGP 121.5 million



ARESCO's 1Q16 revenues came in at EGP 121.5 million, more than double the previous year's figure of EGP 60.5 million. The improvement in the top line affected the company's EBITDA, which improved significantly to EGP 14.3 million from negative EGP 11.2 million last year. ARESCO recognized revenue worth EGP 121 million during the quarter out of a previous backlog of EGP 473 million, closing 1Q16 with a backlog of EGP 480 million, meaning that the company signed new contracts and/or added new scopes to existing contracts worth EGP 130 million. Management is confident that the company's strategy of diversification in types of projects, coupled with a large number of contracts in the pipeline, will result in a continuation of this quarter's outstanding financial performance.

Total Construction Backlog (ARESCO) (1Q16)



## Sectors Under Divestment: Agrifoods

Agrifoods companies include Gozour (multicategory agriculture and consumer foods) and Wafra (agriculture in Sudan and South Sudan). Wafra faces difficulties in operations ranging from political and civil conflicts in South Sudan to technical problems in Sudan and hence its figures have been excluded from this review.

In the wake of management’s decision to divest its agrifoods assets, Qalaa has concluded several exits from platform companies operating under Gozour during the fourth quarter of 2015. In December 2015, Gozour’s business unit in Sudan, Rashidi for Integrated Solutions, concluded the sale of its two Halawa and Biscuits plants in Sudan to a Sudanese investor at an enterprise value of USD 4.25 million. Additionally, Gozour concluded its divestment of its full 100% holding in Misr October for Food Industries (El-Misrieen), an Egyptian manufacturer of cheese products, at an enterprise value of EGP 50 million. Gozour has also reached financial close in December on the sale of 100% in confectioner Rashidi El-Mizan (REM) to Saudi Arabia’s Olayan Financing Company and its subsidiaries, for a total consideration (equity value) of EGP 518 million.

Gozour also inked a sale and purchase agreement (SPA) to divest its 100% holding in milk and juice producer, Enjoy and El-Aguizy International, an Egyptian grower and exporter of produce, in the fourth quarter of 2015. Gozour had previously impaired the value of its investments in Enjoy and El-Aguizy, which are distressed assets, and have not been operational since 2013 and 2015, respectively. Gozour had also previously impaired the value of its investment in El-Misrieen, which ceased operations in 2012. All three companies are accounted for as Discontinued Operations under Qalaa’s consolidated financial statements.

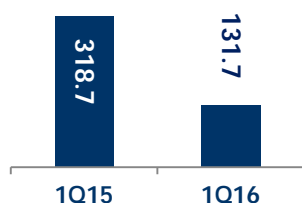
It is worth noting that Qalaa appointed leading investment bank EFG Hermes as sell-side advisor for the sale of Dina Farms. When concluded, the Dina Farms sale will leave Gozour’s retail supermarkets business, that Qalaa intends to retain, as the last remaining operation in the agrifoods sector.



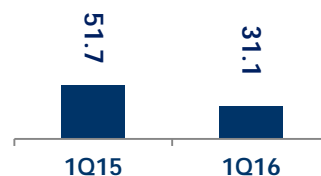
QH OWNERSHIP — 43.1%

Gozour records revenues of EGP 131.7 mn; EBITDA margin 24%

**Consolidated Gozour Revenues**  
(EGP mn)



**Consolidated Gozour EBITDA**  
(EGP mn)



**Gozour** reported revenues of EGP 131.7 million in 1Q16, down 58% y-o-y due to the sale of REM in FY2015 as well as the deconsolidation of ACST— spun-off in a separate company in preparation for the eventual divestment from Dina Farms and the retention of the retail supermarkets business. Excluding ACST and REM, revenues show 5% growth year-on-year. The aforementioned dynamics at the company’s top-line were reflected on Gozour’s EBITDA, which came in 40% lower year-on-year in 1Q16 at EGP 31.1 million. EBITDA margin improved in comparison to the same period last year, rising from 16% to 24%.

Gozour Subsidiaries (EGP mn)	1Q15	1Q16	%diff
------------------------------	------	------	-------

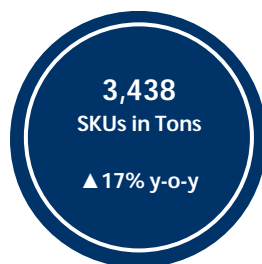
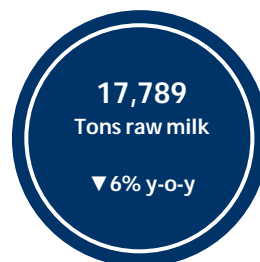
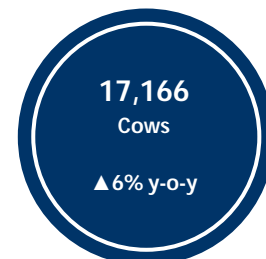


Dina Farms Revenues	103.6	104.1	0%
Dina Farms EBITDA	31.3	26.5	(15%)
ICDP Revenues (Fresh Dairy producer)	29.0	34.8	20%
ICDP EBITDA	4.6	5.9	29%
ACST Revenues (Retail Supermarkets)	50.7	51.7	2%
ACST EBITDA	2.0	(4.7)	n/a

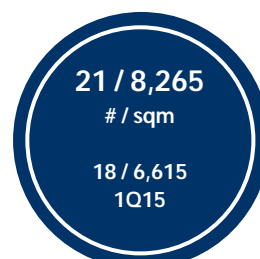
- Dina Farms** reported almost zero change in revenues compared to last year, with EGP 104.1 million in 1Q16 versus EGP 103.6 million in the same period last year. The flat performance y-o-y is owing to a 6% decrease in volumes of raw milk sales, mainly due to decreasing demand by packaged milk producers who instead rely more heavily on skimmed milk powder (SMP) in the production process given a decrease in SMP prices. Meanwhile, EBITDA margin dropped from 30% in 1Q15 to 25% this quarter, primarily due to an increase in feedstock costs caused by the foreign currency shortage. The cost increase is expected to reflect on prices of raw milk in 2Q16 according to the pricing formula set by the Pricing Committee of Egyptian Raw Milk Producers.
- ICDP**, which markets Dina Farms' fresh dairy produce, posted a 20% y-o-y growth in revenues to EGP 34.8 million in 1Q16. Top line growth filtered into the company's EBITDA which came at EGP 5.9 million, showing 29% growth for the quarter. It is worth noting that ICDP is diversifying into large markets such as cheese, already having introduced a number of fresh cheese products. In addition, the company reached volume sales of 9.8 tons and 5.2 tons of white (Feta) and Edam cheese respectively in 1Q16, expected to reach a total of 70 tons and 60 tons respectively in the remaining three quarters of the year.
- ACST** (Dina Farms Retail) saw revenues increase by 2% y-o-y in 1Q16 to EGP 51.7 million. Meanwhile, an inventory-management system malfunction — data migration inaccuracies during the implementation of the new software system procedure carried out in FY2015 and leading to a differential in inventory count — saw ACST book a non-recurring expense of EGP 17.8 million in 4Q15 and EGP 3.2 million in 1Q16. Consequently, ACST posted a negative EBITDA of EGP 4.7 million in 1Q16. The company plans to rebound from current losses by limiting network expansion CAPEX and simultaneously gearing up for the upcoming seasonal demand during the holy month of Ramadan.

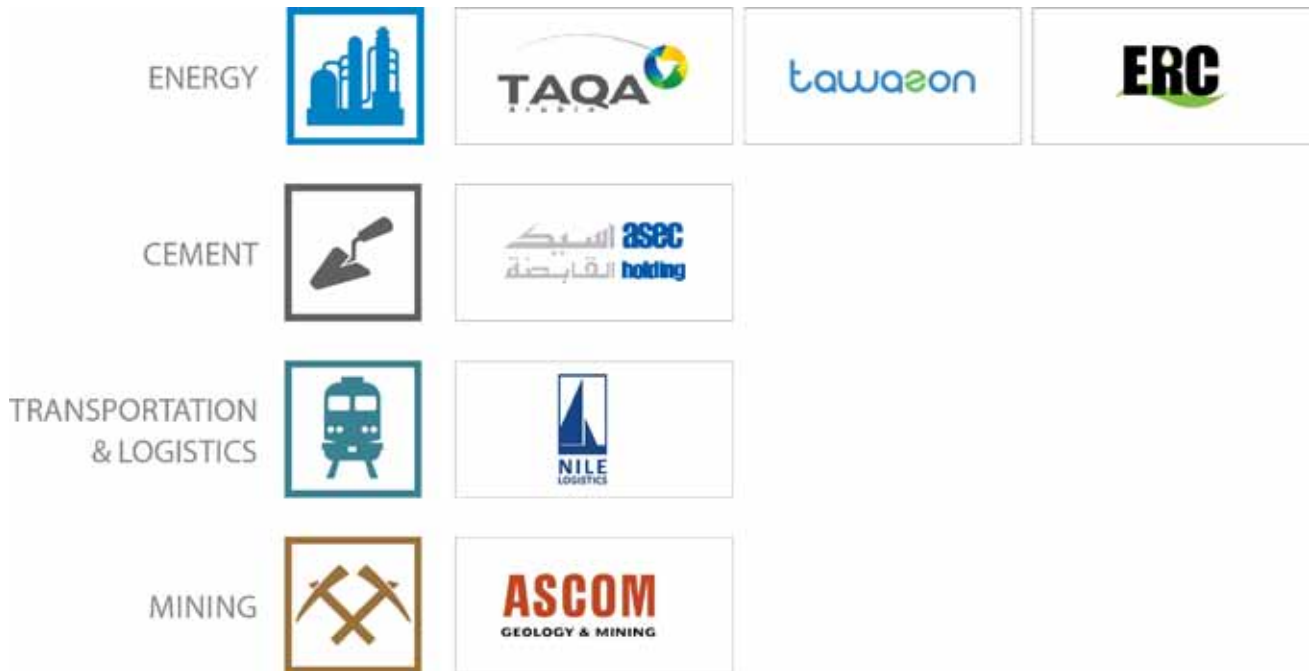
**ICDP Sales (1Q16)**

Dina fresh dairy producer


**Dina Farms Sales (1Q16)**

**Dina Farms Total Herd\* (1Q16)**


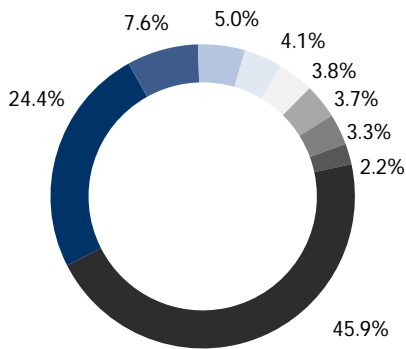
\* Of which 7,646 are milking cows

**Retail Stores / Retail Space (1Q16)**




**SHAREHOLDER STRUCTURE**

(as of 31 March, 2016)



- CCP
- EIC
- Caravel
- Coronation
- DH Investors LTD
- CIB
- Fidelity
- Olayan
- Others

**CCAP.CA on the EGX**

Number of Shares	1,820,000,000
Of which Preferred	401,738,649
Of which Common	1,418,261,351
Paid-in Capital	EGP 9.1 billion

**Forward Looking Statements**

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

**CCAP.CA on the Egyptian Stock Exchange**

**Investor Relations Contacts**

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

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