AGTHIA GROUP PJSC

Condensed consolidated interim financial information
For the period ended 30 September 2014

Principal business address:

PO Box 37725
Abu Dhabi
United Arab Emirates

Report and condensed consolidated interim financial information for the period ended 30 September 2014

Agthia Group PJSC

Financial results for the first nine months of 2014

Directors' Report

The Board of Directors of Agthia Group PJSC (the "Company") is pleased to present the Company's financial results for the first nine months of 2014, ended 30 September.

The Company recorded a net sales of AED 1.2 billion for the first nine months of 2014, an increase of 9 percent over the same period last year. Net profit, at AED 151 million, represents a 26 percent increase year-on-year. The increase in profit was primarily due to higher sales and improved margins. Third quarter recorded a solid year-on-year growth with sales and profit growing by 13% and 38% respectively driven by resilient performance of both Consumer and Agri Business Divisions.

The Company remains focused on its strategy of driving profitable growth of core businesses and in parallel expanding and diversifying its product portfolio, widening distribution reach, strengthening brand support and proactively addressing underperforming businesses.

The Company's balance sheet remains healthy with a positive operating cash flow stream to support our future expansion plans.

On September 29, 2014 the Board of Directors' appointed Iqbal Hamzah as Chief Executive Officer of the Company. Hamzah joined Agthia in August 2006 as the company's first Group Chief Financial Officer and Company Secretary.

Divisional Performance

Agri Business Division

The Division recorded a net sales of AED 782.3 million in the period, up 9 percent on the same period in the previous year, driven mainly by the poultry and large animal feed, as government initiatives to promote food security encourage domestic food production which helps to create favorable conditions for the segment. Feed business recorded a robust volume growth of 17% year-on-year while flour volume remained flat. However, we expect the flour volume to pick up in quarter four.

Net profit was AED 156.1 million, an increase of 19 percent year on year, resulting from higher volumes and improved margins. The improvement in the gross profit margin was the result of competitive sourcing of grains, ongoing cost saving initiatives, a favorable product mix, in-house production of previously outsourced animal feed and stable flour pricing in the Northern Emirates.

Third quarter net sales reached AED 250 million, up 11 percent from the same period in 2013, and net profit rose 17 percent to AED 42.7 million.

Further expansion of poultry feed production capacity is underway with completion targeted by Q1, 2015.

Consumer Business Division

The Consumer Business Division recorded net sales of AED 450 million in the first nine months of the year, an increase of 10 percent over the previous year. Net profit also increased by 10 percent to AED 40 million.

Third quarter net sales of AED 159.7 million were up by 17 percent and profit of AED 17.7 million was 22 percent ahead year-on-year basis.

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Water & Beverage

The growth in the Division was primarily driven by the Water & Beverages segment, and specifically by the improved performance of bottled water as we were able to overcome the capacity constraint that we previously had following the commissioning of the new high-speed bottling line in June as well as capitalizing on cost saving opportunities. The water and beverages segment achieved net sales of AED 362.3 million, up 8 percent, with net profit for the segment increasing 15 percent to AED 61.4 million with volumes increasing by 11 percent for the segment. Third quarter water & beverage sales increased by 14 percent to AED 129.3 million and net profit at AED 25 million depicts strong 27 percent growth.

In Turkey, Alpin natural spring water - launched last year, continues to gain distribution and consumer offtake in the domestic market doubling sales versus last year. Profitability however remains a challenge which is being addressed. Distribution expansion of Alpin in the UAE & GCC was delayed due to high domestic demand in Turkey. To meet 2015 demand, we will be doubling our Alpin production capacity (PET bottles) by Q2 next year.

The decline in Capri Sun sales, as stated in previous reports, has been partly due to changes in regulations requiring higher juice content in schools and a slowdown in consumer offtake in retail trade. We are progressing well with a new marketing strategy, including the introduction of a new product mix and new brand positioning. Two new flavors (Pineapple & Berry) were launched in September and additional new products launches are planned for next year. We expect these initiatives to help in reversing the declining trend.

Monster beverage products were launched in selective UAE outlets in June with encouraging initial results. Further distribution expansion is in progress.

Food

The food segment achieved net sales of AED 87.6 million in the first nine months of 2014, an increase of 22 percent, but recorded a loss of AED 21.4 million mainly resulting from input cost pressure & returns, higher marketing investment and the pre-operating costs related to the frozen baked category. We continue our focus on improving profitability of yogurt business by reducing costs, adjusting product & distribution strategy and rationalizing plain yogurt portfolio. New cherry & pineapple flavors were launched and other high margin new products launches are planned for 2015. We believe these initiatives overall will result in improved performance of dairy category in the coming quarters.

Frozen Baked factory has commenced commercial production and stocks build up is in progress. Initially we are launching 20 SKUs which will increase to 50 by year end and to over 100 SKUs by 2015. Product samples are being distributed to potential customers with positive results.

Egypt operation's performance is in line with expectation, both in terms of sales and profitability.

SG&A expenses

Total SG&A expenses at AED 208.7 million grew 11 percent year on year (excluding marketing expenses, by 8 percent). The increase is attributable to higher distribution costs, investment in brand & marketing activities, new business costs, employee-related costs and other inflationary increases. SG&A expenses as a percentage of sales stood at 16.9 percent – almost flat versus last year.

Cash flow

The Company has generated cash from operating activities of AED 283 million during the period under review. Net cash employed in investing activities of AED 150 million mainly includes investments made in a distribution center, the frozen baked products plant, upgrade of flour mill and the new water bottling line. Cash and cash equivalents as at 30 September, 2014 amounted to AED 526 million.

To ensure availability of funds, the Company maintains sufficient bank credit lines to cover short-term working capital requirements at very competitive pricing.

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Unallocated Corporate Items

Under segment reporting, an unallocated assets amount of AED 652 million mainly represents goodwill and cash and bank balances as the Company's fund management is centralized at corporate level.

Capital commitments and Contingencies

Capital commitments of AED 43.7 million mainly relates to the new water bottling line, the frozen baked products project, distribution center, and other capital items.

Bank Guarantees and letter of credits of AED 63.1 million have primarily been issued in favor of the Governmental Authorities and Company's vendors for the supply of materials and spare parts

Future Outlook

We continue advancing on our strategy of driving profitable growth across our core businesses, implementing cost saving initiatives, diversifying and launching new products, expanding distribution reach, enhancing in store presence and at the same time addressing the underperforming businesses.. We also continue to enhance our manufacturing capabilities and remain focused on improving operating and cost efficiencies. Furthermore, Company's business and financial fundamentals are strong with a solid balance sheet to support our expansion plans.

First nine months performance has been on track and we remain confident to deliver another growth year with strong sales and profit performance.

On behalf of the Board

Eng. Dhafer Ayed Al Ahbabi
Chairman

October 28, 2014

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Independent auditors' report on review of condensed consolidated interim financial information

The Shareholders
AGTHIA Group PJSC
Abu Dhabi, United Arab Emirates

Introduction
We have reviewed the accompanying 30 September 2014 condensed consolidated interim financial information of AGTHIA Group PJSC and its subsidiaries (collectively referred to as the "Group"), which comprises:

- the condensed consolidated interim statement of financial position as at 30 September 2014
- the condensed consolidated interim statement of profit or loss for the three-month and nine-month period ended 30 September 2014
- the condensed consolidated interim statement of comprehensive income for the three-month and nine-month period ended 30 September 2014
- the condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2014
- the condensed consolidated interim statement of cash flows for the nine-month period ended 30 September 2014
- notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review
We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2014 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Other Matter
The condensed consolidated interim financial information for the nine-month period ended 30 September 2013 and the consolidated financial statements for the year ended 31 December 2013 were reviewed and audited, respectively, by another auditor who expressed an unmodified review conclusion on the condensed consolidated interim financial information for the nine-month period ended 30 September 2013 on 28 October 2013 and an unmodified audit opinion on the consolidated financial statements for the year ended 31 December 2013 on 24 February 2014.

KPMG

Munther Dajani
Registration Number 268
Abu Dhabi, United Arab Emirates

28 OCT 2014

Agthia Group PJSC

Condensed consolidated interim statement of profit or loss (unaudited)

	Nine months ended 30 September 2014 AED'000	Nine months ended 30 September 2013 AED'000 (Restated)*	**Three months ended 30 September 2014 AED'000**	Three months ended 30 September 2013 AED'000 (Restated)*
Revenue	**1,232,257**	1,125,504	**409,635**	361,315
Cost of sales	**(889,319)**	(829,350)	**(304,002)**	(266,852)
Gross profit	**342,938**	296,154	**105,633**	94,463
Net other income	**15,073**	9,426	**6,828**	1,716
Selling and distribution expenses	**(131,946)**	(111,690)	**(41,489)**	(35,956)
General and administrative expenses	**(74,202)**	(73,066)	**(24,069)**	(26,318)
Research and development expenses	**(2,581)**	(2,710)	**(882)**	(924)
Operating profit	**149,282**	118,114	**46,021**	32,981
Finance income	**7,512**	9,723	**2,509**	3,212
Finance expense	**(6,005)**	(7,969)	**(2,261)**	(2,633)
Profit for the period	**150,789**	119,868	**46,269**	33,560
Tax	**-**	(144)	**(19)**	(83)
Profit for the period attributable to equity holders of the Group	**150,789**	119,724	**46,250**	33,477
Basic and diluted earnings per share (AED)	**0.251**	0.200	**0.077**	0.056

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.
The independent auditors' report on the review of the condensed consolidated interim financial information is set out on page 1.
*For restatement details refer to note 16.

Agthia Group PJSC

Condensed consolidated interim statement of comprehensive income (unaudited)

	Nine months ended 30 September 2014 AED'000	Nine months ended 30 September 2013 AED'000 (Restated)*	**Three months ended 30 September 2014 AED'000**	Three months ended 30 September 2013 AED'000 (Restated)*
Profit for the period attributable to equity holders of the Group	**150,789**	119,724	**46,250**	33,477
Foreign currency translation difference on foreign operations	**(2,556)**	(6,486)	**(2,079)**	(1,583)
Other comprehensive income	**(2,556)**	(6,486)	**(2,079)**	(1,583)
Total comprehensive income for the period attributable to equity holders of the Group	**148,233**	113,238	**44,171**	31,894

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Agthia Group PJSC

Condensed consolidated interim statement of financial position

	Note	30 September 2014 (Unaudited) AED'000	31 December 2013 (Audited) AED'000 (Restated)*
Non-current assets			
Property, plant and equipment	*6*	**827,015**	694,176
Advances for property, plant and equipment	6	**1,377**	18,489
Goodwill	*7*	**95,472**	95,472
Intangible assets		**10,769**	11,267
Total non-current assets		**934,633**	819,404
Current assets			
Inventories	*8*	**317,660**	272,893
Trade and other receivables	*9*	**228,023**	192,458
Government compensation receivable		**87,296**	109,642
Available-for-sale financial assets		-	5,200
Cash and bank balances	*10*	**550,490**	564,021
Total current assets		**1,183,469**	1,144,214
Current liabilities			
Bank borrowings *(current portion)*	*11*	**267,473**	321,029
Trade and other payables		**405,956**	253,514
Due to a related party	*13*	**300**	1,650
Total current liabilities		**673,729**	576,193
Net current assets		**509,740**	568,021
Non current liabilities			
Provision for end of service benefits		**36,288**	32,861
Bank borrowings *(non-current portion)*	*11*	**68,876**	103,314
Deferred tax liability		**699**	764
Other liabilities		**445**	654
Total non-current liabilities		**106,308**	137,593
Net assets		**1,338,065**	1,249,832
Equity			
Share capital		**600,000**	600,000
Legal reserve		**78,959**	78,959
Translation reserve		**(14,064)**	(11,508)
Retained earnings		**673,170**	582,381
Total equity		**1,338,065**	1,249,832

The condensed consolidated interim financial information were approved and authorised by the Board of Directors on 28 October 2014.

HE Eng Dhafer Ayed Al Ahbabi
Chairman

Iqbal Hamzah
Chief Executive Officer

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Condensed consolidated interim statement of changes in equity (unaudited)

For the nine months ended 30 September

	Share Capital AED'000	Legal reserve AED'000	Translation reserve AED'000	Retained earnings AED'000	Total AED'000
Balance at 1 January 2013	600,000	62,951	(3,683)	469,663	1,128,931
Total comprehensive income for the period					
Profit for the period*	-	-	-	119,724	119,724
Other comprehensive income					
Foreign currency translation difference on foreign operations	-	-	(6,486)	-	(6,486)
Dividend declared	-	-	-	(30,000)	(30,000)
Total comprehensive income	-	-	(6,486)	89,724	83,238
Balance at 30 September 2013	600,000	62,951	(10,169)	559,387	1,212,169
Balance at 1 January 2014	**600,000**	**78,959**	**(11,508)**	**582,381**	**1,249,832**
Total comprehensive income for the period					
Profit for the period	-	-	-	**150,789**	**150,789**
Other comprehensive income					
Foreign currency translation difference on foreign operations	-	-	**(2,556)**	-	**(2,556)**
Dividend declared	-	-	-	**(60,000)**	**(60,000)**
Total comprehensive income	-	-	(2,556)	**90,789**	**88,233**
Balance at 30 September 2014	**600,000**	**78,959**	**(14,064)**	**673,170**	**1,338,065**

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.
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Agthia Group PJSC

Condensed consolidated interim statement of cash flows (unaudited)

For the nine months ended

	Note	**30 September 2014 AED'000**	30 September 2013 AED'000
Cash flows from operating activities			
Profit for the period*		**150,789**	119,724
Adjustments for:			
Depreciation		**45,832**	42,415
Finance income		**(7,512)**	(9,723)
Finance expense		**6,005**	7,969
Gain on disposal of property, plant and equipment	*6*	**(230)**	(206)
Write off of property, plant and equipment	*6*	**-**	1,321
Provision for employees' end of service benefits		**6,250**	7,396
Provisions on inventories and receivables	*8*	**(1,441)**	3,853
Operating cash flows before payment of employees' end of service benefits, changes in working capital		**199,693**	172,749
Change in inventories	*8*	**(42,633)**	(30,718)
Change in trade and other receivables- net	*9*	**(36,645)**	(12,244)
Change in government compensation receivable		**22,346**	(9,013)
Change in trade and other payables		**144,797**	81,275
Change in due to a related party	*13*	**(1,350)**	136
Payment of employees' end of service benefits		**(2,823)**	(2,253)
Change in other liabilities		**(274)**	(253)
Net cash generated from operating activities		**283,111**	199,679
Cash flows from investing activities			
Advances/ acquisition of property, plant and equipment	*6*	**(163,586)**	(106,848)
Proceeds from disposal of property, plant and equipment	*6*	**419**	328
Sale of available-for-sale financial assets		**5,200**	-
Finance income received		**7,899**	9,871
Net cash used in investing activities		**(150,068)**	(96,649)
Cash flows from financing activities			
Bank borrowings – net	*11*	**(85,679)**	114,198
Finance expenses paid		**(6,052)**	(7,697)
Dividend paid		**(60,000)**	(30,000)
Net cash (used in) / generated from financing activities		**(151,731)**	76,501
(Decrease) / increase in cash and cash equivalents		**(18,688)**	179,531
Cash and cash equivalents at 1 January		**544,933**	424,901
Cash and cash equivalents as at 30 September	*10*	**526,245**	604,432

The notes on pages 7 to 16 form an integral part of these condensed consolidated interim financial information.
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Notes to the condensed consolidated interim financial information

1 Legal status and principal activities

Agthia Group PJSC (the "Company") was incorporated as a Public Joint Stock Company pursuant to the Ministerial Resolution No. 324 for 2004. General Holding Corporation (SENAAT) owns 51% of the Company's shares. The principal activities of the Company are to establish, invest, trade and operate companies and businesses that are involved in the food and beverage sector.

The condensed consolidated interim financial information of the Company as at and for the nine months ended 30 September 2014 comprise the Company and its below mentioned subsidiaries (together referred to as the "Group").

Subsidiary	Country of incorporation and operation	Share of equity (%) 2014	2013	Principal Activity
Grand Mills Company PJSC	UAE	100	100	Production and sale of flour and animal feed.
Al Ain Food and Beverages PJSC (AAFB-UAE)	UAE	100	100	Production and sale of bottled water, flavored water, juices, yoghurt, tomato paste, frozen vegetables and frozen baked products.
Agthia Group Egypt LLC (Agthia Egypt)	Egypt	100	100	Processing and sale of tomato paste, chilli paste, fruit concentrate and frozen vegetables.
Agthia Grup Icecek ve Dagitim Sanayi ve Ticaret Limited Sirketi (Agthia Turkey)	Turkey	100	100	Production, bottling, and sale of bottled water.

2 Statement of compliance

These condensed consolidated interim financial information have been prepared in accordance with International Financial Reporting Standards (IFRS) *IAS 34 Interim Financial Reporting*. They do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2013.

3 Significant accounting policies

The accounting policies and methods of computation applied by the Group in these condensed consolidated interim financial information are the same as those applied by the Group in the consolidated financial statements as at and for the year ended 31 December 2013.

These condensed consolidation interim financial information are presented in United Arab Emirates Dirhams ("AED"), which is the functional currency, rounded to the nearest thousand.

Government compensation

Funds that compensate the Group for selling flour and animal feed at subsidised prices in the Emirate of Abu Dhabi are recognised in the condensed consolidated interim statement of profit or loss, as a deduction from the cost of sales, on a systematic basis in the same period in which the sales transaction occur.

Cost of sales as stated in the condensed consolidated statement of profit or loss is after the deduction of The Abu Dhabi Government compensation amounting to AED 288.6 million (*30 September 2013: AED 338 million*). The purpose of the compensation was to partially reduce the impact of increased and volatile global grain prices on food retail prices for the consumers in the Emirate of Abu Dhabi.

4 Estimates

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information, the significant judgment made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2013.

5 Financial risk management

The Group's financial risk management objectives and processes are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2013.

6 Property, plant and equipment

Acquisitions and disposals

During the nine months ended 30 September 2014, the Group invested in property, plant and equipment amounting to AED 163,586 thousand *(2013: AED 106,848 thousand),* of which acquisition of assets amounted to AED 180,698 thousand and advances released of AED 17,112 thousand *(30 September 2013: assets acquired AED 95,670 thousand and advance given amounting AED 11,178 thousand).*

6 Property, plant and equipment (continued)

Acquisitions and disposals (continued)

Assets with a carrying amount of AED 189 thousand were disposed off during the nine months period ended 30 September 2014 *(30 September 2013: AED 122 thousand),* resulting in a gain of AED 230 thousand *(30 September 2013: gain of AED 206 thousand)* which is included in net other income.

7 Goodwill

For the purpose of impairment testing, goodwill is allocated to two operating segments within the group where goodwill is monitored for internal management purposes. Impairment testing is conducted on an annual basis, unless there is an indication that it is impaired.

8 Inventories

During the nine months period ended 30 September 2014, the Group recorded a provision for slow, non moving, and obsolete inventory of AED 1,073 thousand *(30 September 2013: AED 3,425 thousand).* The charge is included in cost of sales.

Furthermore, the Group has written off/written back a provision for slow, non moving and obsolete inventory of AED 3,207 thousand *(30 September 2013: AED 4,495 thousand).*

9 Trade and other receivables

	30 September 2014 AED'000	31 December 2013 AED'000
Trade receivables- net	**180,704**	154,442
Prepayments	**32,574**	28,922
Other receivables	**14,745**	9,094
	228,023	192,458

10 Cash and bank balances

Cash and cash equivalents in the condensed consolidated interim statement of cash flows:

	30 September 2014 AED'000	30 September 2013 AED'000	31 December 2013 AED'000
Cash in hand	**1,136**	821	609
Cash at banks:			
Current and savings account	**70,998**	57,339	71,571
Fixed deposits	**478,356**	563,587	491,841
Cash and bank balances	**550,490**	621,747	564,021
Bank overdraft	-	(446)	(2,315)
Escrow account (for dividend distribution 2009 to 2013)	**(24,245)**	(16,869)	(16,773)
	526,245	604,432	544,933

Fixed deposits above are for a period not more than one year *(2013: up to one year)* carrying interest rates varying from 1.80%-2.25% *(2013: 2.00%-2.40%).*

Escrow account represents amounts set aside for payment of dividend. Equivalent amount has been recorded as liability in trade and other payables. This restricted cash balance has not been included in the cash and cash equivalents for the purpose of cash flow statements.

11 Bank borrowings

This note provides information about the contractual terms of the Group's interest bearing loans and borrowings, which are measured at amortised cost.

	30 September 2014 AED'000	31 December 2013 AED'000
Current liabilities		
Short term loan	**34,772**	23,936
Working capital facility	**185,775**	245,092
Term loan	**46,926**	49,686
Bank overdraft	**-**	2,315
	267,473	321,029
Non-current liabilities		
Term loan	**68,876**	103,314

11 Bank borrowings (continued)

Terms and repayment schedule

Amounts in AED'000				**30 September 2014**		31 December 2013	
	Currency	**Interest rate**	**Year of maturity**	**Face value/ limit**	**Carrying amount**	Face value/ limit	Carrying amount
Short term loan**	USD/ AED/ EGP	LIBOR / EIBOR/ mid corridor rate+ margin*	2014	**129,416**	**34,772**	133,233	23,936
Credit facility**	USD/ AED/	LIBOR/ EIBOR	2014	**456,875**	**185,775**	453,935	247,407
Credit facility (Capex) **	USD/ AED	LIBOR/ EIBOR + margin *	2014	**75,000**	**-**	75,000	-
Term loan**	USD/ EURO	LIBOR / EURIBOR + margin*	2014-2017	**115,802**	**115,802**	153,000	153,000
Total				**777,093**	**336,349**	815,168	424,343

* Margin on the above loans and facilities varies from 0.70% - 1.50%. *(2013: 0.70% - 1.50%).* Average interest rate on loan and facilities in Turkey of AED 13,720 thousand *(2013: AED 7,354 thouand)* is 3.50%.

**Credit facility of face value AED 325,000 thousand, Credit facilities (CAPEX) of face value AED 75,000 thousand and the Term loan of face value AED 114,794 thousand are secured by a floating charge over the current assets, stock and receivables of the Group.

Credit facility and credit facility (Capex) are secured against the following:

- Third party indemnity to make available guarantees, documentary credit, bills drawn, loan to finance import/open account settlement in the name of any of the subsidiary of the Group in favour of the bank.

12 Segment reporting

Information about reportable segment for the nine months ended 30 September

The Group has two reportable segments, as described below. The reportable segments offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Board of Directors review internal management reports on at least quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

- **Agri Business Division (ABD)**
  - Flour and Animal Feed, includes manufacturing and distribution of flour and animal feed.

- **Consumer Business Division (CBD)**
  - Bottled Water and Beverages includes manufacturing and distribution of drinking water, water based drinks and juices.
    - Business operation in Turkey is of a similar nature as "Bottled Water" hence it is also reported under CBD.

  - Food includes manufacturing and distribution of tomato and chilli paste, fruit concentrate, frozen vegetables, fresh dairy products and frozen baked products.
    - Business operation in Egypt is of a similar nature as "Food" hence it is also reported under CBD.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit, as included in the internal management reports data reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

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Notes to the condensed consolidated interim financial information (continued)

12 Segment reporting (continued)

Segment wise operating results of the Group, for the nine month period are as follows:

	Agri Business Division (ABD)		**Consumer Business Division (CBD)**							
	Flour and Animal Feed		***Bottled Water and Beverages***		***Food***		**CBD Total**		**Total**	
	30 September 2014 AED'000	30 September 2013 AED'000	**30 September 2014 AED'000**	30 September 2013 AED'000	**30 September 2014 AED'000**	30 September 2013 AED'000	**30 September 2014 AED'000**	30 September 2013 AED'000	**30 September 2014 AED'000**	30 September 2013 AED'000
External revenues	**782,340**	718,030	**362,329**	335,431	**87,588**	72,043	**449,917**	407,474	**1,232,257**	1,125,504
Inter segment revenue	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Gross profit	**202,625**	165,888	**146,335**	134,892	**2,800**	4,024	**149,135**	138,916	**351,760**	304,804
Reportable segment profit/(loss)	**156,126**	130,668	**61,405**	53,590	**(21,426)**	(17,332)	**39,979**	36,258	**196,105**	166,926

12 Segment reporting (continued)

Reconciliations of reportable segments' profit or loss

Gross profit for the nine months period ended

	30 September 2014 AED'000	30 September 2013 AED'000
Total gross profit for reportable segments	**351,760**	304,804
Unallocated amounts		
Other operating expenses	**(8,822)**	(8,650)
Consolidated gross profit for the period	**342,938**	296,154

Profit for the nine months period ended

	30 September 2014 AED'000	30 September 2013 AED'000
Total profit for reportable segments	**196,105**	166,926
Unallocated amounts		
Net finance income	**4,072**	3,673
Other operating expenses	**(49,388)**	(50,875)
Consolidated profit for the period	**150,789**	119,724

Reportable segment assets are as follows:

	30 September 2014 AED'000	31 December 2013 AED'000
Agri Business Division	**611,745**	622,113
Consumer Business Division	**854,367**	684,685
Total assets for reportable segment	**1,466,112**	1,306,798
Other unallocated amounts	**651,990**	656,820
Consolidated total assets	**2,118,102**	1,963,618

13 Transactions with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, related parties comprise the major shareholder, key management personnel, Directors of the Board and their related companies. In the normal course of business, the Group had various transactions with its related parties. Transactions are entered into with the related parties on terms and conditions approved by either the Group's management, or its Board of Directors.

a) Key management personnel compensation

Key management personnel compensation for the nine months period was as follows:

	30 September 2014 AED'000	30 September 2013 AED'000
Short term employment benefits	**13,099**	13,749
Post-employment benefits	**2,462**	4,287
	15,561	18,036

b) Due to a related party

	30 September 2014 AED'000	31 December 2013 AED'000
General Holding Corporation (SENAAT)	**300**	1,650

Transactions with a related party

	30 September 2014 AED'000	31 December 2013 AED'000
General Holding Corporation (SENAAT)		
Directors' fees charged	**-**	1,350
Purchase of foreign currency	**-**	4,391
Payment for foreign currency	**-**	(4,391)
Payments	**(1,872)**	(1,783)
Other expenses	**522**	683

14 Contingent liabilities and capital commitments

	30 September 2014 AED'000	31 December 2013 AED'000
Bank guarantees and letters of credit	**63,098**	36,925
Capital commitments	**43,724**	96,308

15 Dividends

Cash dividend of 10% of the issued and paid up capital, amounting to AED 60 million *(2013: 5% amounting to AED 30 million)*, was approved by the shareholders in the Annual General Meeting held on 28 April, 2014.

16 Restatement of comparative figures

Certain comparative figures have been reclassified to conform to the presentation adopted in these condensed consolidated interim financial information as shown below:

	As previously reported	**As reclassified**	**Net Effect**
	---------------- 30 September 2013---------------		
	AED'000	**AED'000**	**AED'000**
Profit for the period	**120,774**	**119,724**	**1,050**
Other comprehensive income	**(7,536)**	**(6,486)**	**1,050**

In accordance with International Accounting Standards (IAS 1 'Presentation of Financial Statements"), Board of Directors' remuneration and committee members fee for the period ended 30 September 2013 has been reclassified from other comprehensive income to general and administrative expenses.