

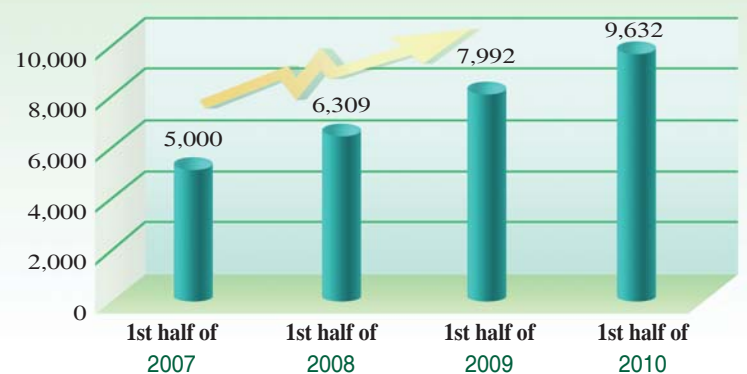


Issued by the Savola Group to enhance corporate communication with its Shareholders, Investors and all Stakeholders through furnishing them with its latest developments and performance progress on quarterly basis.

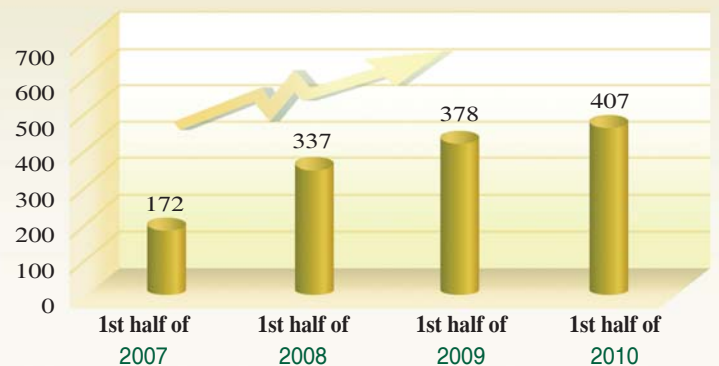
With a 48.5% Increase, Savola Achieves SR 601.7 Million Net Profits in the First 6 Months of 2010 and Announces its Profit Forecast for the Third Quarter at SR 280 Million and Distributes SR 125 Million as Dividends for the Second Quarter of 2010

- In the first 6 months Savola Net Profit reaches SR 601.7 Million against SR405.1 Million last year; a rise of 48.5%.
- Savola net profits for Q2 reaches SR 207.7 Million exceeding the forecast of SR 205 Million against SR 212.5 Million for the same period last year.
- Half-Year Revenues grow by 20.5% over 2009 to reach SR 9.6 billion.
- Earnings per share reach SR 1.2 for the first 6 months of the year against SR 0.81 last year.
- Gross Profit reaches SR 1.5 Billion for the first 6 months of the year against SR 1.39 Billion last year.
- Operating Profit reaches SR 626.3 Million for the first 6 months of the year against SR 653.5 Million last year; a drop of 4.2%.
- Savola distributes SR 125 Million as dividends for 2nd Quarter 2010.
- Savola announces its profit forecast for 3rd quarter at SR 280 Million.

Net Revenues for the first half of 2010 compared with same period of pervious years (In Million Riyals)



Net Profit for the first half of 2010 (before Capital Gain) compared with the same period of pervious years (In Million Riyals)



Savola Shareholders Elect Board of Directors For the New Term

The New Board appoints H.E. Eng Adel Fakeih as Chairman of the Board and Dr. Abdulraouf Mannaa as Managing Director





Eng. Adel M. Fakeih

Message from the Chairman

Dear Esteemed Savola Shareholders,

As the holy month of Ramadan is approaching, I would like to extend my heartiest congratulations to all of you on this blessed occasion and pray to the Almighty Allah to guide us to the straight path and accept our good deeds.

I am pleased to address you in this edition of the Savola Newsletter and share with you our results for the 2nd quarter of 2010. I would like to start by a word of welcome to the new board members elected by the General Assembly to commence the new 3-year term on July 1st 2010. I take this opportunity to express my thanks on behalf of my colleagues in the board and myself for the trust given to us by the esteemed shareholders. I would like to assure you that the Group will continue in its strategy of Focus on its core activities and Leverage of its strategic assets in order to further entrench its leadership in local and regional markets.

With the blessing of Allah, and with your continued support, the Savola Group has continued its illustrious performance during the second quarter of 2010 where the Group has achieved net profit of SR 207.7 Million (without capital gains) exceeding its forecast for the quarter. This brings the net profit for the half year to SR 601.7 Million, a 48.5% increase over the same period of last year. The Group increased its sales to SR 9.6 Billion, a 20.5% increase over the same period of last year. Despite the presence of some factors that negatively

affected gross margins, such as the increase in world raw sugar prices and the increase in Sales and Marketing expenses associated with new store openings, the Group maintained its market leadership which was made possible by its Focus and Leverage strategy. You will find more details about the Group performance for the quarter in this issue of the Savola Newsletter.

The Group continued its role toward society fostering its CSR initiative in the field of training and placement of persons with disabilities. The Group has crowned its effort by graduating the first batch of trainees with disabilities after going through intensive training courses aimed at making them employable in various divisions of Savola.

As a result of the good financial results, and in continuation of the Group policy to distribute dividends on a regular basis, the Board of Directors has approved the distribution of SR125 Million in dividends for the second quarter of 2010. This brings the total distribution of dividends for the half year to SR 375 Million or SR 0.75 per share.

Finally, I would like to extend to you my sincerest thanks and appreciation, on behalf of myself as well as my fellow board members, for your trust and support. I pray that God Almighty help us meet your expectations and achieve our goals.

Adel M. Fakeih,

Chairman of the Board of Directors

Savola Shareholders Elect Board of Directors for the New Term

The New Board appoints H.E. Eng Adel Fakeih as Chairman of the Board and Dr. Abdulraouf Mannaa as Managing Director

Savola's Extraordinary Shareholders Meeting was held at the Jeddah Hilton on 27/6/2010. By a majority of votes, the General Assembly elected 11 out of 16 nominated candidates to the Board of Directors, in accordance with the company's bylaws.

The Assembly has elected: (H.E. Eng. Adel Mohammed Fakeih, Dr. Abdulraouf Mohammed Mannaa, Dr. Sami Mohsen Baroum, Mr. Ibrahim Mohammed Alissa, Mr. Sulaiman Abdulqader Al Muhaidib, Mr. Abdulaziz Khaled Al Ghufaily, Mr. Ammar Abdulwahab Al-Khudairy, Dr. Ghassan Ahmed Al-Sulaiman, Mr. Mohammed Abdulqader Al Fadl, Mr. Mousa Omran Al Omran, and Mr. Yousef Mohammed Alireza) as members of the Savola Board of Directors for the new term began on 1/7/2010 and continuing for three years.



Esteemed shareholders during the extraordinary shareholders meeting



Representatives of Ministry of Commerce and Capital Market Authority observing the voting of new board term election

By a majority of votes, the Assembly also did not approve the second article, which related to using a cumulative voting structure to elect board members in future assemblies.

The new board conducted its first meeting immediately after the Assembly's results were announced and appointed H.E. Eng. Adel M. Fakeih as the Chairman of the Board of Directors, Dr. Abdulraouf Mannaa as Group Managing Director, and Mahmoud Mansour Abdul Ghaffar as Board Secretary.

Towards that end, H.E. Eng. Adel M. Fakeih thanked Savola's shareholders

for the trust and the confidence that they bestowed on the members of the board. His Excellency also thanked Dr. Sami Baroum, whose term as Group Managing Director ended on June 30th of 2010 for his efforts in leading the Savola Group, and wished him success in his continued role as a board member of Savola.

H.E. Eng. Adel also welcomed Dr. Abdulraouf Mannaa back to the Savola family, as he was elected to be a board member and further selected to be Group Managing Director for the new term beginning on 1/7/2010, and wished him continued success in his duties and responsibilities.



Dr. Abdulraouf M. Mannaa

Message from the Group Managing Director

Dear Savola Group Shareholders,

It gives me great pleasure to come back to address you in this edition of the Savola Newsletter for the 2nd quarter of 2010 through which we communicate the latest news and developments of your Group.

First of all, I would like to thank you for the trust you gave me through my election to the board of Savola. I also thank my colleagues and brothers, members of the board, for entrusting me with the role of Managing Director. I pray to God Almighty to grant me the blessings that will enable me to meet your expectations and serve well this great company.

On the occasion of the holy month of Ramadan, I would like to offer my heart-felt prayers that Allah bless our work and accept our good deeds.

I would like to share with you the Group's results for the second quarter ended 30/6/2010.

The Savola Group achieved a net profit of SR207.7 Million for this quarter, none of which comes from capital gains, against a profit of SR 212.5 Million reported in the second period of last year. This exceeds the previously reported forecast of SR205 Million and brings the total net profits for

the first 6 months of the year to SR 601.7 Million against SR 405.1 Million last year, a 48.5% increase.

Operating profits for the first 6 months of 2010 amounted to SR 626.3 Million compared to SR 653.5 Million of last year, a drop of 4.2%. This drop is primarily due to world-wide increase in sugar raw material prices and to increase in Sales and Marketing expenses prompted by new retail store openings; both of these factors helped push down the gross margins.

The sales of the group jumped 20.5% to reach SR9.6 Billion. Earnings per share also increased to SR1.2 per share compared to SR0.8 for the same period last year. Continuing with its disclosure policy, the group expects to realize net profit of SR280 Million in the third quarter and SR920 Million for the full year in addition to capital gains made during the year.

We offer our thanks to Allah for all that we have achieved. And we ask for His blessing of our endeavors.

I look forward to meet you once again next quarter with yet another set of good performance.

Wishing you all the best.

Dr. Abdulraouf M. Mannaa
Group Managing Director

With a 48.5% Increase, Savola Achieves SR 601.7 Million Net Profits in the First 6 Months of 2010

and Announces its Profit Forecast for the Third Quarter at SR 280 Million

Savola has released its financial results for the 6 month period ending June 30th 2010 showing a net profit of SR 601.7 Million against profit for the same period of last year at SR 405.1 Million. This represents an increase of 48.5%. The Group achieved a net profit of SR 207.7 Million in Q2 (without capital gains) thus exceeding the forecasted value of SR 205 Million and against a net profit of SR 212.5 Million for the same period of last year.

The Group has furthermore achieved an operating profit of SR 626.3 Million for the half year against SR 653.5 Million for the same period of last year. This represents a drop of 4.2%.

The earnings per share for the first 6 months of the year reached SR1.2 against SR0.81 for the same period of last year.

In this regard, Dr. Abdulraouf Mannaa, the Group Managing Director, explained that the drop in total profits of the second quarter compared to that of last year is due to the SR 11 Million in capital gains made last year, in addition to the SR 195 Million in profits made in the first quarter of this year as a result of the HERFY Company IPO. The net profit from core operations has in fact exceeded the previously released forecast of SR 205 Million.

Furthermore, Dr. Mannaa announced that the Group expects to realize net profits of SR

280 Million in the third quarter of 2010.

Dr. Mannaa added that despite the increase in gross profits for the period by 7.9% compared to the same period of last year, the percentage of gross profit to sales (gross margins) have slightly declined by 1.8%. This decline is attributed to the rise in world-

wide raw material prices of sugar, thus affecting the margins. Revenues, however, grew by 20.5% to reach SR 9.6 Billion as did the volumes sold. Margins in the first half of the year declined in part due to a rise in Sales and Marketing expenses required by newly opened stores.



Savola Distributes SR 125 Million as Dividends for the Second Quarter of 2010

In continuation of its declared policy to distribute regular dividends to shareholders, Dr. Abdulraouf Mannaa announced that the Board of Directors has approved the distribution of SR 125 Million as dividends for the second quarter to its shareholders registered as of the end July 21, 2010. This represents a distribution of SR 0.25 per share. Savola Group has previously distributed SR 250 Million as dividends for the first quarter of 2010, at SR 0.5 per share, SR 0.25 of which was regular dividends and SR 0.25 as exceptional dividends made possible by the capital gains realized from the Herfy Company IPO. This fresh distribution will bring the total dividends paid to shareholders in the first half of 2010 to SR 375 Million.

Almarai Company Achieves Net Profits of SR 577.2 Million



HH Prince Mohammed Bin
Saud Al Kabeer
Chairman, Almarai Board

Almarai, in which Savola holds a 29.9% stake, has achieved exceptional 2010 2nd quarter results. Net profits for the second quarter were SR 343.1 Million, compared to SR 287.1 Million for the same quarter of last year, an increase of 19.5%. These results bring Almarai's total profits for the first six months of 2010 to SR 577.2 Million compared to SR 484.5 Million for the same period last year, an increase of 19.1%.

Operating profits for the first six months of 2010 were SR 665.8 Million, a 14.1% increase over the same results last year, which were SR 583.6 Million.

Sales for the 2nd quarter of 2010

increased by 20.2% to SR 1.74 billion up from SR 1.45 billion for the same quarter last year, while sales for the first six months of 2010 were SR 3.3 billion compared to sales of SR 2.8 billion for the same period last year, an increase of 18.9%.



This outstanding performance came as a result of increased sales and market share arising from Almarai's ability to serve its customers with consistently high quality products due to the ongoing investment in production and distribution capacities.

The company has begun gradually importing the animal forage required to produce dairy products exported outside the Kingdom of Saudi Arabia. This year 80% of Almarai's forage requirements for dairy exports will be imported while next year it will increase to 100%. These actions will further support the efforts of the Government of the Custodian of the Two Holy Mosques in the conservation and rational use of water.

By a Majority of Votes,

The Founding General Assembly of Knowledge Economic City Approves all Items on its Agenda

Knowledge Economic City (KEC) held its founding General Assembly Meeting on 29/6/2010 and approved by a majority vote all items on its Agenda which comprised six articles: (1) Confirming full subscription for the entire start-up capital amount of over SR 3.39 billion (2) The confirmation of the subscriptions in kind to that capital in the amount of SR 1 billion (3) Appointment of Price Waterhouse Coopers as first auditors for the company's account for SR 200,000 (4) Approving the company's by-laws (5) Approving the expenses required to found the company, (6) Approving the company's first Board of Directors, for a period of five years. The Board will be composed of 11 members:

(HRH Prince Khaled Bin Abdullah Bin Abdulaziz, H.E. Ibrahim bin Abdulrahman Al-Tasan, H.E. Dr. Yousef bin Ahmed Al-Othaimeen, H.E. Eng. Abdulaziz bin Abdulrahman Al-Hossain, Dr. Sami Mohsen Baroum, Dr. Majid Abdullah Al-Kassabi, Mr. Adel Bin Abdulmohsen Al-Mandil, Mr. Saleh Mohammed Bin Laden, Mr. Adel Bin Mohammed Al-Zaid, Eng. Taher Mohammed Bawazir, Dr. Abdullah Mohammed Ali Telmesani).

In addition, the appointed board has selected Dr. Sami Mohsen Baroum as Chairman, Mr. Saleh Mohammed Bin Laden as Vice Chairman, Dr. Majid Abdullah Al-Kassabi as Managing Director and Mr. Mahmoud Mansour Abdul Ghaffar as Secretary of the Board.

It is worth noting that KEC was founded with the goal of developing and managing the Knowledge



Attendees during Knowledge Economic City General Assembly

Economic City project in Al-Madina, which is one of four Economic Cities currently being built in the Kingdom. These cities are projected to help develop the technology sector in the Kingdom through specialization, the use of a 'smart' development grid, as well as taking advantage of the Al-Madina's unique qualities and the project's proximity to the

Holy Prophet's Mosque. In addition, the project is expected to help bolster Al-Madina's economy and that of the Kingdom in general. The project will also provide a boost to Al-Madina's real estate market as well, as it will provide close to 10% of the housing units that Al-Madina is expected to require in the next 5 years.

Herfy Company Reports a 10.3% Increase in Net Profits for the Six Month Period of 2010, and Increases its Retail Outlets to 166 Kingdom-wide

Herfy, the leading fast food chain owned 47.6% by Savola has announced its second quarter results for the year 2010. Herfy has realized a second quarter net profit of SR 32.6 Million bringing total net profits for the first six months of 2010 to SR 60.8 Million compared to SR 55.1 Million for the same period of last year, a 10.3% increase resulted from increased sales activity in the various sectors of the company.

Herfy has also opened 14 new outlets throughout the Kingdom to bring the number of operating outlets to 166.

Further strengthening its marketing activities, Herfy has launched during the second quarter of 2010 several promotional programs and marketing

activities. It has also added new varieties to its products.

As part of its CSR initiatives, Herfy has participated in several social programs such as Al Janadriyah festival, Eastern Province Car Rally, Kidney Failure Program Support, and others.

Herfy has finalized and signed the sixth partnership agreement with Human Resource Development Fund (HRDF) – Riyadh Branch to train and employ 110 young Saudis in various specializations. Herfy is also finalizing another agreement with the Labor Office in Jazan to employ 120 young Saudis.



SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED BALANCE SHEET (UNAUDITED) As at June 30, 2010

	2010 (SR 000)	2009 (SR 000)
ASSETS		
Current assets:		
Cash and cash equivalents	589,736	660,757
Trade receivables	1,563,198	1,596,329
Inventories	2,379,628	2,370,294
Prepayments and other current assets	1,228,021	992,673
Total current assets	5,760,583	5,620,053
Non-current assets:		
Investments	5,942,260	4,589,353
Intangible assets	1,107,784	1,257,616
Property, plant and equipment	5,067,471	4,609,646
Total non-current assets	12,117,515	10,456,615
Total assets	17,878,098	16,076,668
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term bank debts	1,394,199	1,872,358
Current portion of long-term debts	807,635	317,268
Trade payables	2,031,899	1,824,055
Accrued expenses and other current liabilities	1,413,100	1,431,527
Total current liabilities	5,646,833	5,445,208
Non-current liabilities:		
Deferred gain	96,051	32,265
Long-term payables	59,982	74,233
Long-term debts	3,213,578	2,720,763
Employees' termination benefits	269,149	244,044
Total non-current liabilities	3,638,760	3,071,305
Total liabilities	9,285,593	8,516,513
EQUITY		
Equity attributable to the Company's shareholders:		
Share capital	5,000,000	5,000,000
Statutory reserve	868,102	772,945
General reserve	4,000	4,000
Unrealized (loss) on investments	(80,158)	(717)
Foreign currency translation account	(204,670)	(191,956)
Retained earnings	1,529,572	978,807
Total shareholders' equity	7,116,846	6,563,079
Minority interests	1,475,659	997,076
Total equity	8,592,505	7,560,155
Total liabilities and equity	17,878,098	16,076,668

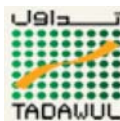
Savola major shareholders list who owns 5% or more from the company shares as of 30th June 2010

Ser.	Shareholders name	Ownership Percentage*
1.	Mohammed Ibrahim Al-Issa	11.9 %
2.	General Organization for Social Insurance	10.9 %
3.	Abdullah Mohammed Al-Rabe'ah	8.7 %
4.	Abdulgadir Al-Muhaidib & Sons Company	8.4 %

* The paid capital of the Savola Group is SR 5 billion divided into 500 million shares having equal nominal value of SR 10 per share,

Note:

The above ownership percentage is updated according to Tadawul register as of 30th June 2010 and may change from time to time based on the trading movement in the Savola Group shares in the stock market.



Note please:

To Review the detailed accounts for this quarter and the previous quarter's, please visit Savola web site: (www.savola.com)

Or Tadawul website: (www.tadawul.com.sa)

Also it was published in:

- Al Watan Newspaper Issue No (3581) dated 20th July 2010.
- Al Madina Newspaper – Issue No (17255) dated 21th July 2010.

Within the statutory period as required by CMA & MOC regulations.

SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

5

INTERIM CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the three-month and six-month periods ended June 30, 2010

	Three-month period ended June 30, 2010 (SR 000)		Six-month period ended June 30, 2010 (SR 000)	
Revenues – net	4,868,065	4,356,799	9,632,511	7,991,842
Cost of revenues	(4,158,245)	(3,580,469)	(8,132,494)	(6,599,190)
Gross profit	709,820	776,330	1,500,017	1,392,652
Share of profits of associates and jointly controlled entity and dividend income – net	121,260	100,413	215,101	207,288
Other income – net	38,111	62,817	112,431	84,757
Total income	869,191	939,560	1,827,549	1,684,697
EXPENSES				
Selling and marketing	(454,648)	(424,101)	(909,748)	(766,592)
General and administrative	(119,323)	(140,527)	(291,455)	(264,585)
Total expenses	(573,971)	(564,628)	(1,201,203)	(1,031,177)
Income from operations	295,220	374,932	626,346	653,520
(Loss) gain on disposal of investments	(1,210)	85,481	195,056	100,968
Impairment loss on AFS investments	--	(74,241)	--	(74,241)
Financial charges – net	(46,382)	(67,862)	(94,211)	(119,757)
Income before Zakat and tax and minority interests	247,628	318,310	727,191	560,490
Zakat and income tax	(20,737)	(21,214)	(49,297)	(35,318)
Net income before minority Interests	226,891	297,096	677,894	525,172
Share of minority interests in the net income of consolidated subsidiaries	(19,239)	(84,594)	(76,200)	(120,119)
Net income	207,652	212,502	601,694	405,053
Earnings per share (SR)				
- Income from operations	0.59	0.75	1.25	1.31
- Net income	0.42	0.43	1.20	0.81

SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month periods ended June 30, 2010

	2010 (SR 000)	2009 (SR 000)
Cash flows from operating activities:		
Net income	601,694	405,053
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortisation and impairment	306,665	300,272
(Gain) on sale of property, plant and equipment	(4,019)	(3,304)
(Gain) on disposal of investments	(195,056)	(100,968)
Financial charges	94,211	119,757
Share of minority interests in net income of consolidated subsidiaries	76,200	120,119
Changes in operating assets and liabilities:		
Trade receivables	(163,276)	(96,992)
Inventories	(126,004)	158,522
Prepayments and other current assets	(409,801)	(115,126)
Trade payables	223,046	203,137
Accrued expenses and other current liabilities	(16,965)	(56,424)
Employees' termination benefits	26,863	5,172
Total adjustments	(188,136)	534,165
Net cash provided by operating activities	413,558	939,218
Cash flows from investing activities:		
Effect of deconsolidation of Herfy	(20,062)	--
Net change in investments	(457,293)	4,545
Net change in intangible assets	(6,767)	(99,329)
Net addition to property, plant and equipment	(302,754)	(305,495)
Net cash (used in) investing activities	(786,876)	(400,279)
Cash flows from financing activities:		
Net change in short-term debts	(832,982)	(1,926,591)
Net change in long-term debts	1,248,061	1,763,516
Net change in minority interests	(72,809)	49,566
Financial charges	(94,211)	(119,757)
Changes in restricted deposits	48,556	--
Dividend paid	(376,049)	(249,800)
Net cash (used in) financing activities	(79,434)	(483,066)
Net change in cash and cash equivalents	(452,752)	55,873
Cash and cash equivalents at beginning of the period	1,001,185	604,884
Cash and cash equivalents at end of the period	548,433	660,757
Non cash items:		
Foreign currency translation adjustments	(10,818)	(31,029)
Unrealized (loss) gain on available-for-sale investments	(58,557)	127,970
Directors' remunerations	1,100	1,200

H.E. The US Ambassador Pays a Visit to Savola

and Expresses his Admiration to the Level Reached by Saudi Sugar Industry



Executive Management presenting a gift to US Ambassador H.E. James B. Smith



US Ambassador and his delegation field visit to United Sugar Refinery

The US Ambassador to Saudi Arabia, H.E. James B. Smith and his wife visited United Sugar Company located at Jeddah Islamic Port on Tuesday 8th June 2010, accompanied with Mr. Dominic So, Vice Consul, Ms. Anhi Jeong, Personal Assistant to the Ambassador, Mr. Jeffrey Hill, Public Affairs Officer and Ms. Catherine Schweitzer, Cultural Attaché.

The US delegation was received at United Sugar Company by Dr. Sami Mohsen Baroum, the then Group MD, and other senior executives of Savola as

well as USC.

During this visit, the delegation was given a presentation about the Savola Group by Dr. Sami Baroum, highlighting its growth strategy and the factors that helped in its success. Among these factors are its focus strategy, its ethics-based culture and its Corporate Governance standards. The presentation also highlighted the Corporate Social Responsibility programs undertaken by Savola, as a good corporate citizen. Prominent among these CSR programs are the Center for Empowering Persons with Disabilities,

The Executive Leadership Program (MILES), and others. These initiatives adopted by Savola were appreciated locally and regionally resulting in receipt of many awards.

The visit also included a tour of the USC facilities.

H.E. The Ambassador expressed his appreciation of the developments achieved by Savola Group and its leading initiatives. He expressed his hopes and determination to increase the level of cooperation between Saudi industries and their US counterparts.

Transparency Screen

Savola Continues Updating Share Monitoring System

In a move designed to further boost transparency, Savola has recently launched its new Share Monitoring System, dubbed "The Transparency Screen". This system tracks and displays changes in shareholding of major shareholders. Categories covered by the system now includes: Board Members, Senior Executives, Major Shareholders, Investment Funds and Government Share. The system is open and can be accessed through the

Savola Website:

www.savola.com

The system is now being regularly updated to reflect the movement in major share ownership in order to entrench transparency and to facilitate the task for parties interested in Savola share tracking.

Below you will find the charts depicting share ownership movement for the first half of 2010.

Change in Top 10 Shareholders Ownership (No. of Shares in Thousands)



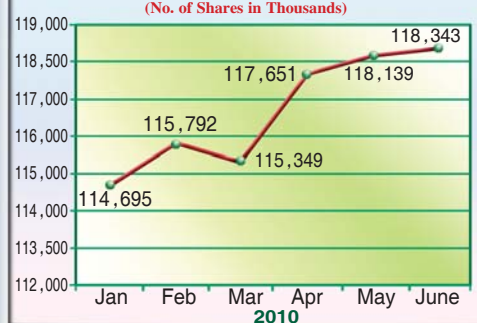
Change in Board Members Ownership (No. of Shares in Thousands)



Change in Executives Ownership (No. of Shares in Thousands)



Change in Top 90 Shareholders Ownership "after Top 10" (No. of Shares in Thousands)



Change in Government Ownership (No. of Shares in Thousands)



Change in Investment Funds Ownership (No. of Shares in Thousands)



Change in Other Shareholders Ownership (No. of Shares in Thousands)



Under the Patronage of Prince Misha'al Bin Majid Bin Abdulaziz, Saudi Institute for Retail & Marketing Graduates its First Batch in Jeddah

Under the auspices of HRH Prince Misha'al Bin Majid Bin Abdulaziz, Governor of Jeddah, and with the attendance of a number of senior executives from Savola Group, Azizia Panda United and the General Organization for Technical and Vocational Training, and many other interested persons, The Saudi Institute for Retail & Marketing (Jeddah Branch) has celebrated the graduation of 210 young Saudis on July 13th 2010. This group represents the first batch of graduates that have completed the theoretical and practical training requirements. They join other graduating groups from Riyadh and Al Ahsa.

Dr. Abdulaziz Ismail Al Abdulaziz, CEO of the Saudi Institute for Retail and Marketing stated that the mission of the Institute is summed up in providing decent living for young Saudis through providing them with a source of fixed income and other benefits that is adequate, in addition to providing the job security that enables them to participate effectively in the social development of the country. He added that this Institute is a pioneering project in Saudi Arabia with a clear vision and mission geared toward the training and development of Saudi youth in the Retail sector so that they could participate in the development of the country. He also added that Panda is keen to press on with its Saudization process in all job categories and all activities in line with its long term strategy in this regard.



HRH Prince Misha'al Bin Majid Bin Abdulaziz, Senior Executives of Savola and Panda along with graduated trainees of Saudi Institute for Retail & Marketing

It is worthy of mention that the Institute is getting ready to train 1,000 Saudi youths in the coming two months. It has already started the registration process for eligible candidates. Successful candidates will be eligible to start a promising career path in retail outlets in accordance with a career plan that can take the candidates from base jobs at Supermarkets and Hypermarkets through Section Supervisor and ultimately to Store Manager for candidates that successfully demonstrate their leadership abilities.

Practical on-the-job training programs lasting for 4 months are already underway in select Panda stores in Jeddah, Riyadh and Al Ahsa where special training



facilities have been prepared for that purpose. These intensive training programs involve 70 training hours in each of the 7 main department store sections. They also involve other life skills such as customer service, communication and etiquette. The ultimate purpose of these skills is to enable Panda staff not only to provide the quality products for the customer but also to provide the outstanding servicing that is every much as important to the customer as the product themselves.

These training programs are prepared according to the high standards in line with the approved standards of the American Association for Training and Development.

With Slogan "Focus to Win",

Savola Holds its Annual Management Conference and Goes Over its Achievements for the Year 2009 and Future Strategy 300 Executives and Managers attended the conference

Savola held its Annual Conference for its senior executives and managers on Sunday 23/5/2010. The conference, held under the slogan 'Focus to Win', was attended by over 300 Savola executives and managers as well as Dr. Sami Baroum – outgoing Group Managing Director and Dr. Abdullaouf Mannaa – who became Group Managing Director beginning 1/7/2010. Also, it was attended by directors of the various

Savola business sectors and senior executives as well as managers of Savola subsidiary companies both inside and outside of the Kingdom.

Dr. Sami Baroum welcomed the attendees and thanked them for all their efforts and unique performances during the last year, both within and outside of the Kingdom, which have helped the group grow and reach its strategic goals locally and internationally.



Dr. Baroum shared the Group's financial results and statements for the year 2009, showing that the Group had managed to maintain its leadership position in the market and accomplish many unique goals and expansions in activities both inside the country as well as outside of it. Dr. Baroum also went over the company's strategy of focusing on core activities and leveraging strategic assets and competitive advantages, in addition to lessons learned from previous periods and how to apply them to future events.

He also pointed out his great pride in the performance of the 'Savola Family'.

Later on, the CEO's of Savola's business sectors (Food, Retail, Plastics, and Real Estate Development) shared the results of their respective sectors for the year 2009 and their future strategy and challenges for the year 2010.

They didn't only detailed how each of their sectors helped contribute to the overall performance of the company in 2009 and pledged to achieve goals for

2010, but they also shared stories as well as informational and humorous segments with the audience. Several interactive quiz sessions were also conducted, with prizes then being handed out to the winners among the attendees.

Continuing in the theme of transparency openness and communication, the floor was then opened for questions from the attendees. Dr. Sami Baroum, Dr. Abdullaouf Mannaa and Dr. Mohammad Amin Kashgari fielded the questions and answered all the questions raised during the Q&A session.

The conference's schedule also included a presentation on the Corporate Social Responsibilities programs. The latest developments in the Savola Center for Empowering Persons with Disabilities were exhibited through a documentary. This documentary examined both the program as well as participants in it and discussed the Group's strategy of providing employment opportunities to disabled individuals. The program has helped to train 93 persons with visual, hearing and

physical disabilities.

Saudi Injaz, a nonprofit organization involved in the promotion of young talent, was also a participant in the conference. Saudi Injaz shared a presentation regarding their social training and teaching program, which is expected to reach up to 100,000 students in the next five years. The presentation also focused on methods of helping involve volunteers from Savola with the program.

At the conclusion of the conference, the company honored a number of retiring executives as well as employees who have completed 25 and 30 years of service with Savola. These members received commemorative plaques and were honored for their service to the company. Also honored were members of the Champion teams.

Finally, a special honor was given to Dr. Sami Baroum, the outgoing Group Managing Director who ended his term on 6/30/2010 for all his efforts in leading the Group through the previous years.

Savola Center for Empowering Persons with Disabilities Celebrated the Graduation of the First Batch of Trainees

Under the patronage of H.E. Eng. Adel Mohammed Fakeih, Chairman of the Savola Group Board, the Savola Center for Empowering Persons with Disabilities celebrated on 6th July 2010, the graduation of its first batch of trainees comprising 100 male and female participants. These young male and female candidates underwent a series of extensive training programs and courses that lasted for three months and held at specialized training facilities in Jeddah.

The event which was specially organized for this milestone event was attended by key officials from the government and private sectors and key executives from the Savola Group. Attending the event as well were the specialized training institutions which included Ebsar Foundation for the Visually Impaired in cooperation with Jeddah International Training Institute, Professionals Institute for Training & Development, Saudi Retail & Marketing Institute, Al Rida Training Center, and Amal Jeddah Training Center for the Handicap.

Following the recitation from the Holy Qur'an, Mrs. Faten Al Yafi - Executive Director of CSR, PR, and Corporate Services gave an overview on the training program of Savola's Center for Empowering Persons with Disabilities showcasing these steps in a documentary that showed the development stages of the Center. Then, Dr. Abdulraouf Manna, Group Managing Director of the Savola Group shared the importance of this training program as a strategic initiative that aims to meet a series of economic and business objectives while at the same time it aims at transforming persons who for most



H.E. the Chairman of the Board of Directors & Group MD with the Graduates and Heads of others Institutions of Persons with Disabilities



of their lives have been dependant on others into independent individuals.

Dr. Mannaa also expressed that "The Savola Center for Empowering Persons with Disabilities is cornerstone project of Savola's CSR program." He explained "This program has bigger objectives that provide a bridge between the Company and the Community."

Dr. Mannaa added, "The first group of graduates of this program which is part of a meticulously planned strategy aims at providing job opportunities for 2,000 persons with disabilities during the next three years.

The first phase of this program is a pilot program comprising 100 male and female trainees specially designed to meet the job requirements of the Group and is completely compatible with the jobs that can be filled by persons with disabilities. Following the training, these candidates have been suitably employed in the various sectors of the Group and according to the trainee's capabilities.

Mrs. Al Yafi went on to explain that the candidates underwent extensive training which included various theoretical and practical sessions while focusing on key

areas including psychological preparation, development of interpersonal communications skills and how to deal with others. Mrs. Al Yafi also explained that the performance of each candidate was closely monitored throughout the training period in cooperation with the training institute to ensure continuity and provide all the necessary support to the trainee to achieve and advance in his/her future career.

Speaking on behalf of the trainees was Abdullah Al Mouwallad who underwent his training at the Saudi Retail & Marketing Institute and then joined Panda as a "Cashier". In his motivational speech, he explained that the program not only gave him specific skills but also helped to shape his personality.

International CSR Consultant Mr. Leo Kooyman who serves as an advisor to the "Savola Center for Empowering Persons with Disabilities" said that the program is comparable to international programs in terms of planning, design, and implementation. Mr. Kooyman added that the program is much more than a means for providing jobs for the persons with disabilities, it also generates a new type of thinking in the community which clearly demonstrates that disability is not an obstacle but an opportunity to develop and deploy. During his speech, Mr. Kooyman presented the Savola Group with a certificate from the "President of Workability Europe, Hans Vrind; who said, "Workability Europe is fully aware of your important developments for people with disabilities to become an employee of the Savola Group. We would like to express our respect for the initiative and congratulate the organization for with the success of the first pilot. "We would like to support you with our knowledge if there is a need to," he said.

The certificates and awards to the trainees were presented by H.E. Eng. Adel Mohammed Fakeih.



H.E. Eng. Adel Mohammed Fakeih, Chairman of the Board of Directors, presenting certificates to the graduated trainees



Through its Bridge of Education,

Savola Sponsors the Graduation Ceremony for the Third Batch of Graduates of the Custodian of the Two Holy Mosques Scholarship Program in the United States

In its efforts to support Saudi graduates and in line with its national roles and obligations, Savola has sponsored the graduation ceremony for the third batch of the Custodian of the Two Holy Mosques Scholarship Program in the USA under the patronage of H.E. Dr. Khalid Bin Mohammad Al Anqari, Minister of Higher Education and H.E. Mr. Adel Bin Ahmad Al Jubair, Saudi Ambassador to the USA. The ceremony was held at the Marriott Hotel in Washington. This sponsorship comes in line with Savola CSR Strategy "leadership program" in support of Education and students to shore up their skills.

In his speech at the ceremony, Mr. Mohammad Al Issa, Cultural Attaché at the Royal Embassy of Saudi Arabia, has lauded the role Savola plays in supporting the Saudi youth as



evidenced by its Golden sponsorship of the event. He reiterated that Savola has a long history of genuine commitment to Social Responsibility and to fostering of Saudi talent through its varied programs. Such programs form a solid foundation for Public Private Partnership, he added.

H.E. The Cultural Attaché also honored Savola, where Mrs. Faten Al Yafi, Executive Director of CSR, PR & Corporate Services has received a memorable plaque on this occasion from H.E. The Cultural Attaché. Mrs. Al Yafi has in turn thanked all of those who worked to make the Scholarship Program of the Custodian of the Two Holy mosques a reality. She emphasized the importance of reaching out to, and cooperation with, the Education Sector both inside and outside the Kingdom.

Savola News letter

Issued by Corporate Affairs, Investor Relations
For more information or sharing views, please contact
Fax (02) 6482053, P.O.Box: 14455 Jeddah 21424
alnoor@savola.com, or visit our website www.savola.com

Management & General Supervision

Mr. Mahmoud Abdul Ghaffar
SVP-Corporate Affairs & Board Secretary

Management & Editing

Alnoor Ali Saad
Director, Corporate and Board Affairs
Yasin A. Babiker
Corporate Affairs Manager

Assistant Team

Siddiqui Zeeshan
Al Sadig Yousuf

Distribution Team

Khaled Khaleefa
Abdullah Mufed

Designed by
Eng. Abd Elhalim Abd Elkarim M.