

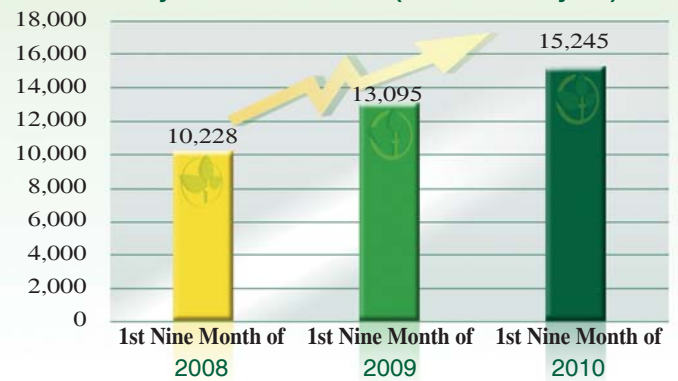


Issued by the Savola Group to enhance corporate communication with its Shareholders, Investors and all Stakeholders through furnishing them with its latest developments and performance progress on quarterly basis.

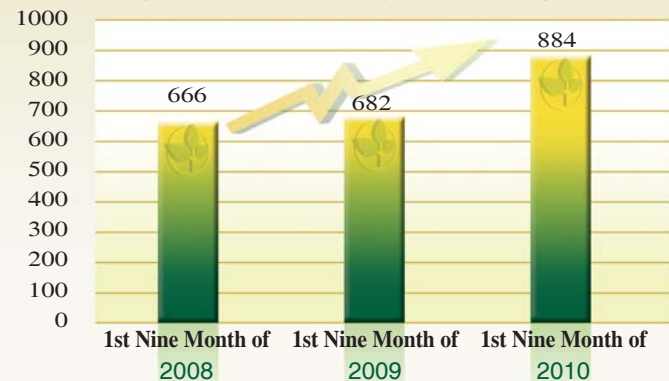
With a 29.5% Increase, Savola Achieves SR 884.7 Million Net Income in the First 9 month of 2010 And Announces its Net Income Forecast for the Fourth Quarter of 2010 at SR 230 Million And Distributes SR 125 Million as Dividends for the Third Quarter of 2010

- Net income for the 3rd quarter of 2010 reached SR283M, against SR 277.9 M last year, a rise of 1.83%.
- Revenues for 3rd quarter of 2010 amounted to SR5.6 Billion, increase of 10% compared with last year of SR5.1 Billion.
- Operating profit for nine months ended 30 September 2010 amounted to SR1.03 Billion, decrease of 6.6% compared with same period of last year SR1.10 Billion.
- Savola Acquires Al-Muhidib & Alhokair Group's shares in some of its subsidiaries in exchange for new Savola shares to be issued.
- Appointment of Shaikh Suliman Al-Muhaidib as Chairman of the Board and H.E. Eng. Abdullah M. Nour Rehaimi as a New Board Member.
- Azizia Panda United signs an agreement with the HRDF to train and employ 2000 Young Saudis.
- Savola participates, as a strategic sponsor, in the Corporate Social Responsibility Partnership Forum between Public and Private Sector.
- In collaboration with King Abdulaziz University, Savola Group launched Mobile Dental Clinic at value of SR 2 Million.
- Al-Maria Company received CMA approval to go ahead with its proposed capital increase to SR 2.3 Billion, with a 100% increase.
- Herfy Food Services Company launches additional restaurants during the 3rd quarter of 2010 bringing its total branches to 170 Kingdom wide.

Net Revenues for the First Nine Month for three years 2008 - 2010 (In Million Riyals)



Net Profit for the First Nine Month for three years 2008 - 2010 (In Million Riyals)



The Savola Group Holds Honoring Ceremony "Night of Appreciation" For its Former Chairman, H.E Eng. Adel M. Fakeih - Minister of Labor



H.E Minister of Labor (Savola Former Chairman), with Savola Current and former Board Members during the honoring ceremony "night of appreciation", for event details see pages (6-9).



Sulaiman A. Al Muhaidib

Message from the Chairman

(In The Name Of Allah, The Most Beneficent, The Most Merciful), Peace and Prayers Be Upon our Prophet Mohammed.

Dear Esteemed Shareholders

In the beginning I am pleased to take the opportunity to wish you a blessed and happy Eid of Al-Adha. It gives me a great pleasure to welcome you all to this issue of "Savola Newsletter" for the 3rd quarter of 2010.

I would like to take this chance to extend my appreciation and gratitude to my brothers and colleagues at The Savola Group Board for their trust by electing me as Chairman of the Board subsequent to the royal appointment of His Excellency Eng. Adel M. Fakeih as Minister of Labor in late August, 2010. Meanwhile, I would like to extend my heartiest congratulations to H.E. Eng. Adel M. Fakeih (Savola Ex-Chairman) for the Royal Trust crowned by appointing him as Minister of Labor and thank him for his great efforts and wise vision that contributed significantly in building up the Savola Group with its current leading role locally and regionally. Hoping and praying Allah Almighty to reward him for all his efforts and support he extended to the Group and its shareholders and also, wishing him all the success in his new role and bless him and his efforts for the best of our beloved country.

I am also pleased to share with you the distinguished financial results achieved by the Group in the 3rd quarter 2010, where Savola has succeeded to increase its net profit for this

quarter to SR 283 million compared to SR 277.9 million for the same period of the last year, bringing the total net profits for the first nine months of 2010 to SR 884.7, (with a jump of 29.5% compared with the same period of last year). For further details on the performance of the Group and its sectors during this quarter, please refer to the financial statements and other news presented herein.

As part of the Group strategy that focuses on its core sectors: (Food, Retail, Plastic and Real Estate Development), the Board of Directors has recommended to hold the extra-ordinary general assembly of the Group Shareholders to increase the Group capital through exchange for new Savola shares to be issued to Al-Muhaidib & Alhokair Group's for their shares in some of the Group subsidiaries as articulated in page (3) hereof. The extra-general assembly will be invited to discuss and approve the capital increase after completing all the necessary regulatory arrangements and other formalities with government officials.

In continuation of its policy to distribute quarterly dividends to its shareholders, and based on the good results achieved by the Group, the esteemed Board of Directors has approved distribution of SR 125 million as cash dividends to its shareholders for the 3rd quarter of 2010.

In closing, I take this opportunity to extend my sincere thanks and appreciation to you; our esteemed shareholders, for your unwavering support and trust.

With best regards

Sulaiman A. Al Muhaidib

Chairman of the Board of Directors

Savola Achieves SR 884.7 Million Net Income and

Increases its Revenues to SR 15.2 Billion in Nine month

The Savola Group generated a consolidated net profit amounting to SR 283.M, for the third quarter ended 30 September 2010 with an increase of 1.83 % compared with the same period of last year SR 277.9M an increase of 36.3% compared with the second quarter 2010 SR. 207.7M.

On the other hand the total gross profit for the third quarter ended 30 September 2010 amounted to SR861.3M, a decrease of 4.6% compared with the same period of last year of SR 902.9M, whereas the operating profit for the third quarter ended 30 September 2010 amounted to SR 403.4M, a decrease of 10.1% against the same period of last year SR 448.6M. The consolidated net profit for the first nine months ended 30 September 2010 amounted to SR 884.7M, an increase of 29.5% compared with the same period last year SR 682.9M. whereas, earnings per share (EPS) for the nine months ended 30 September 2010 was SR 1.77 as

versus SR 1.37 for the corresponding period last year. Yet, the total gross profit for the first nine months ended 30 September 2010 amounted to SR 2,36 billion, an increase of 0.9% compared with the same period last year SR 2.34 billion, whereas, the operating profit for the first nine months ended 30 September 2010 amounted to SR1.03 Billion, a decrease of 6.6% compared with the same period last year SR 1.1 billion. The turnover for the third quarter ended 30 September 2010 amounted to SR 5.6 Billion, an increase of 10% compared with the same period last year SR 5.1 Billion, whereas the turnover for the first nine months ended 30 September 2010 amounted to SR 15.2 billion an increase of 16% compared with the same period last year of SR 13.1 Billion.

Despite the increase in gross profit in absolute values for the Group for the first nine months of the current year compared with the same period last year, the percentage of these profits

to net revenues decreased by 2.4%. This drop is mainly due to higher prices of raw sugar globally, which has impacted negatively on the margins. It's worth mentioning that the value of sales for the nine months of the current year increased by 16% to reach to SR 15.2 billion as compared to the same period last year, due to increase in sales volume. The decrease in operating profit by 6.6% during the first nine months of the current year as compared to the same period last year is mainly due to increase in selling, marketing and administrative expenses for the retail stores that have opened/acquired by the Group during the last twelve months. In this regard, Dr. Abdulraouf Manna - Managing Director of the Savola Group, mentioned that the third-quarter net income before capital gain of SR 283 million during the current year is above the stated expectations, which was estimated at SR 280 million as earlier announced through Tadawul website & the press.

Savola Distributes SR 125 Million of Dividends to its Shareholders

For the Third Quarter of 2010

In continuation of its declared policy to distribute regular dividends to its shareholders, Dr. Abdulraouf Manna announced that the Savola Group's Board of Directors has approved the distribution of SR 125 Million (i.e. 0.25 per share) as dividends for the 3rd quarter of 2010, where the Savola has achieved net income of SR283M, to the shareholders registered in the company books by the end of the trading date on Monday 25th October, 2010 (as per records received from Tadawul) for the indicated date. The company will start paying divi-

dends to shareholders accounts after one week from the maturity date (due date) mentioned herein. Savola Group has previously distributed SR 375 Million in dividends for the first & 2nd quarters of 2010, equivalent to SR 0.75 per share, SR 0.5 of which was regular dividends and SR 0.25 was an exceptional dividend out of the capital gains realized from Herfy IPO. This latest distribution bringing the total dividends paid to shareholders for the first half and the dividends to be paid for 3rd quarter of 2010 to SR 500 Million (i.e. SR 1 per share).

Savola Expects to Achieve a Net Income of SR 230 Million for 4th Quarter of 2010

The Group expected to announce a net income before capital gain of SR 230 million for the fourth quarter of this year 2010, which is in line with the full year forecast of SR 920m net income before capital gain. It is worthy to mention that the Group's net income for the 1st half and the third quarter of 2010, before capital gain, reached SR690 Million.





Dr. Abdulraouf M. Mannaa

Message from the Managing Director

Dear Savola Group Shareholders,

First of all and on the occasion of Eid Al-Adha AlMubarak I would like to extend my warmest congratulations to all of you and your families, praying Allah to accept our good deeds and reward us and all Muslims everywhere. Also, I would like to communicate with you through Savola Newsletter for the 3rd quarter of 2010 where we used to share with you the news and update of your group and its business sectors. I would like also, on behalf of the Board of Directors and all Group employees, to extend my sincere congratulations to H. E. Eng. Adel M. Fakeih (Ex-Chairman) for the Royal Trust crowned by appointing him as Minister of Labor and thank him for his un-exhausted efforts and wise vision that significantly contributed in building up the Savola Group since its formation. His sincere efforts and continued support have resulted in Savola's outstanding achievements and of its business expansion in KSA and overseas.

Meanwhile, I would like also to congratulate Brother Shaikh Sulaiman Al-Muhaidib on his election as Savola Chairman and also my sincere congratulation and warm welcome are extended to H. E. Eng. Abdullah M. Nour Rehami, who has been appointed as a board member in September, 2010 representing the General Investment Fund in the vacant Board seat held by H. E. Eng. Adel Fakeih, who has been appointed as Minister of Labor in August, 2010, wishing them all the best and success and sure they will be an added value for the Group and its management.

I am also pleased to share with you the distinguished financial

results achieved- with the help of the Almighty Allah - during the 3rd quarter of 2010, whereby Savola's revenues raised by 10% for the said quarter ended on 30th September, 2010 to reach SR 5.6 Billion against SR 5.1 Billion achieved for the same period of last year, this has brought the total revenues of the first nine months of year 2010 to SR 15.2 Billion versus SR 13.1 for the same period of last year; an increase of 16%. As an outcome of this financial results, the Group's net profits for the first nine months of the current year jumped by 29.5% reaching to SR 884 million against SR 682.9 million for the same period of last year. For further details on the results of this quarter, please refer to the financial statements in page (11) herein and other news covering the group sectors and its various investments.

In continuity for the transparency policy adopted by the Group, it has been declared that the group net income for the fourth quarter of 2010 is expected to reach SR 230 Million, I would like to confirm that, we in the board of directors, executive management and all employees, inside and overseas will exert no efforts to accomplish this goal. Finally, I would like to extend my sincere thanks and appreciation to our esteemed Board's of Directors for their vision and valuable directions, and to all employees for their support and efforts. Also, special thanks and appreciation extended to our esteemed shareholders for their continued support and trust, hope that to meet you all through the next issue of the 4th quarter of 2010 of Savola Newsletter and your Group has achieved its forecasted results for 2010 as promised.

Wishing you all the best.

Dr. Abdulraouf M. Mannaa
Group Managing Director

Savola Acquires Al-Muhidib & Alhokair Group's Equities In Some of its Subsidiaries in Exchange for New Savola Shares to Be Issued



The Savola Group announces that its Board of Directors resolved to enter into a conditional share swap agreement whereby Savola will acquire Al Muhaidib Group's ("Almuhaidib") shares in Savola Foods Company of 10% and their shares in Azizia Panda of 18.6% in exchange for new Savola shares to be issued. In addition of acquiring Alhokair Group's shares in Azizia Panda, which amounting to 7% through exchange process for new Savola shares to be issued also.

The consummation of the transaction will entail the issuance of 8,705,881 shares of Savola (carrying a nominal value of 87,058,810) which will be exchanged against the 7% equity participation currently held by Alhokair in Panda. The transaction value amounts to SAR 297.6 M, an amount derived from an equity valuation of the Savola of SAR 17.1 Billion (equivalent of 34.18 per share on the basis of the stock's average share price in May 2010) and an equity valuation of Panda of SAR 4.3 Billion. Moreover, Savola will pay SAR 20.7 M in cash to Alhokair in exchange for the latter's forfeit of the right to acquire 3% of Panda over 3 years as set forth in the agreement between the two parties announced through Tadawul on 12th Oct. 2009.

The equity valuations of Savola and Panda referred to are identical to the ones used for the purpose of the other conditional swap transaction earlier announced through Tadawul site whereby Savola will acquire Al Muhaidib Group's ("Almuhaidib") current equity participations in Panda and Savola Foods Company against 37,634,409 shares of Savola to be issued. The total number of shares which will be issued to Almuhaidib and Alhokair under the two swap transactions mentioned herein will be 46,340,290 representing 8.48% of Savola's share capital after increasing the Savola's number of shares from 500M to 546,340,290.

Upon consummation of the transactions, Alhokair will hold a 1.59% stake in the enlarged equity of



Savola. As Alhokair and Almuhaidib currently own 7% and 18.6% of Panda respectively, the closing of the two swap transactions will result in the increase of Savola's holding in Panda from 74.4% to 100%. Savola's MD, Dr. Abdelraouf Mannaa, stated that this step represents an important milestone as a component of Savola's strategy of focusing and consolidating the group's interests in the retail sector in addition to Food. However, the conclusion of the two transactions requires the approvals of the regulatory authorities and Savola shareholders' approval at an Extraordinary General Assembly. Updates will be provided through Tadawul as and if developments concerning the transactions discussed above occur.

With a 16.8% Increase, Almarai Achieves SR 424.5 Million Net Profit And Receives CMA Approval for its Proposed Capital Increase to Reach SR 2.3 Billion

Al-Marai Company, in which Savola owns 29.9% stake, has generated a consolidated net profit of SR424.5 Million, an increase of 16.8% compared with the same period last year, whereas the net profit for the first nine months of 2010 amounted to SR 1,001.7 Million, an increase of 18.1% compared with the same period last year. However, the turnover for the third quarter of 2010 amounted to SR 1,833.7 Million, an increase of 18.5% compared to the same period last year, whereas the turnover for the first nine months of 2010 amounted to SAR 5,132.1 Million an increase of 18.8% compared to the same period last year. These results reflect the success of Al-Marai's expansion



plans through diversifying into new product categories, continuing to develop new offerings and a continuous improvement of customer service, all aimed at satisfying all consumers of

Almarai products.

On the other hand and due to the strong balance sheet of Al-Maria and the strategic objectives, the Board of Directors, recommended an increase in the share capital of Almarai from SAR1,150 million to SAR2,300 Million (100%) through the distribution of one bonus share for each outstanding share, increasing the number of shares from 115 million to 230 Million. In this connection, Al-Marai has secured the CMA approved on this capital increase proposal, accordingly, Al-Marai, called its shareholders to attend the extra ordinary shareholders meeting to be held on Sunday 5th December 2010 to discuss and approve the above Board recommendation.

Congratulation

**The Savola Group Board of Directors' Chairman & Members
and All Employees of The Group and its Business Sectors
Extend Their Cordial Congratulation to:**



His Excellency Eng. Adel M. Fakeih, Minister of Labor

**For the Royal Trust Crowned by Appointing H.E
as Minister of Labor**

**Praying Almighty Allah to Support & Guide Him to the Right Path
and Bless His Efforts to the best of our beloved Kingdom.**



**Also they extend their sincere thanks and gratitude to H. E
for his outstanding & unlimited efforts that contributed to
the successful development, growth and geographical expansion
of the Savola Group since its inception**

Congratulation

The Esteemed Group's Board Members, Executive Management Team & All Employees of The Group and its business sectors extend their warmest and sincere congratulation to:



Mr. Sulaiman Abdulgadir Al Muhaidib
For his election as Chairman of
the Group's Board of Directors

***And
to:***



H. E. Eng. Abdullah Mohammed Noor Rehaimi
For his appointment as a Board
Member in the Savola Group
(Representing the General Investment Fund)



Praying Almighty Allah
to bless their and All Employee efforts
and guide them all to the right path and enable them
to achievement the Group and its Shareholders objectives.

The Savola Group Holds Honoring Ceremony “Night of Appreciation”

For its Former Chairman, H.E Eng. Adel M. Fakeih - Minister of Labor

In honor of its former Chairman, HE Eng. Adel M. Fakeih - Minister of Labor, The Savola Group held on 3rd November, 2010 a ceremony dubbed as “Night of Appreciation.” The ceremony is a gesture of Savola’s sincere thanks and appreciation for HE’s outstanding and tireless efforts that led to the successful development, growth and geographical expansion of the Savola Group since its inception. The ceremony was also to congratulate His Excellency for the Royal Trust crowned by appointing H.E as Minister of Labor. The event was attended by a number of dignitaries, businesses men, media representatives, the Savola Group current and former Board Members, executive team and employees.



At the “Night of Appreciation”, the Savola Group feels honored and proud that its former Chairman was appointed Minister of Labor in the Government of the Custodian of the Two Holy Mosques, King Abdullah Bin Abdul-Aziz. The Savola Group wishes His Excellency, all the success in this all-important role and in his future endeavours, and pray that Almighty Allah bless his efforts to the best of our beloved kingdom.



H.E Minister of Labor received by Mr. Sulaiman Al-Muhaidib, Chairman of the Board, the Board Members, Executives and Employees.

Eng. Adel Fakeih Journey in Savola,

Eng. Adel joined the Savola Company in 1980 when it was newly established to produce the edible oils & ghee. He started his carrier as a management trainee in the Purchasing Department. He managed to couple his education with a number of local and overseas training programs that assisted him to advance his skills and develop his competencies and enabled him to rise to become the Manager for the Purchasing Dept in the same year. In 1983, he was appointed by the board as the Company’s Managing Director. In 1990, and due to his distinguished leadership skills, managerial competencies and professionalism, he was selected by the board to be the Chairman and MD for the Savola Group. He continued in this position till his appointment as a Mayor of Jeddah Municipality in March 2005 through a Royal Decree. After that, he continued to be the Chairman of the Savola Group Board till August 2010 when The Custodian of the two Holy Mosques, King Abdullah Bin Abdul-Aziz issued His Royal Decree appointing His Excellency as Minister of Labor and relieving him from his duties as Mayor of Jeddah Province.”

And Also, Mr. Emad Al-Muhaidib, Dr. Abdulraouf Mannaa, Mr. Ibrahim Hayel, Dr. Mohammad Amin Kashgari & Mr. Abdulaziz Al-Ghufaily are seen in the photo.





Dr. Abdulraouf Mannaa, Group MD, during his speech at the Honoring ceremony "Night of Appreciation"

Opening the program, Dr. Abdulraouf Mannaa, the Group MD, addressed the audience by highlighting the distinguished achievements made by H. E. Eng. Adel Fakeih to the company and its shareholders and employees, appreciating his sound leadership, wise vision, unlimited ambition and leading role in establishing a solid corporate culture for the Group based on a sound code of ethics that everyone feels proud of. Dr. Mannaa has also described Eng. Adel Fakeih as a "Hero of Savola", who worked hard to build the Group since its early days of inception and who, despite the tough competition in the Saudi market, managed to grow it regionally. Throughout the long journey and challenges, His Excellency has left no stone unturned to find new ways to contribute to the success of the Group into its current strong position.

Following the opening speech of the MD, Mr. Sulaiman Al-Muhaidib, Chairman of the Board addressed the event. He extended his heartiest congratulations to H.E. Eng. Adel Fakeih for the Royal Trust crowned by appointing him as Minister of Labor and thanked him for his great efforts and wise vision that contributed greatly in building up the Savola Group with its current leading role locally and regionally, confirming that His Excellency, is the right person for these challenges and responsibilities, wishing HE all the best. Following that, he articulated some of HE's major achievements by saying "What you have done to the company could not be counted in such short speech, but the figures speak for themselves. He added: "all of us know that Savola began life in 1979 as an Edible Oils Company with SR 40 Million capital and 200 employees working in importing and refining raw vegetable oils. Today, Savola's share capital has grown to be SR 5 Billion and employees' number (inside the Kingdom and overseas) reached more than 17,000 (with 5,000 Saudis) and the shareholders are now more than 160,000. The company's net profit reached in 2009 almost SR 1 Billion compared with SR 60 to SR80 million in the nineties."

Renames of USC Premises, under the name of "H.E. Eng. Adel Fakeih Building":

Mr. Sulaiman Al Muhaidib, concluded by saying "in recognition and appreciation of the efforts exerted by your Excellency to the Group in general and United Sugar Company (USC) in particular, the Board has decided to rename USC Premises, under your name (i.e. H.E. Eng. Adel Fakeih Building)".



The Photo of United Sugar Company premises which is re-named "H.E. Eng. Adel Fakeih Building"



Mr. Sulaiman Al-Muhaidib, Chairman of the Board during his speech at the Honoring ceremony "Night of Appreciation"



H.E Eng. Adel Fakeih, Minister of Labor during his speech at his Honoring ceremony "Night of Appreciation"

After the two speeches, a comprehensive documentary film highlighting His Excellency's journey of achievements and leadership evolution with Savola during his tenure was shown. The film documented his achievements since the company's inception, when it was a starting edible oils company importing and refining raw vegetable. Faced with intense competition from the strong presence of multinationals in the Saudi market, the business struggled and very nearly foundered. But the response to development challenges greatly contributed to the company's survival, and its current strong position follows a long journey of efforts by great men who left no stone unturned to get there.

His Excellency addresses the event: Concluding the event, His Excellency has given a brief but inspiring and touching speech, highlighting his work journey with the Savola Group which lasted for 30 years, during which he worked in full collaboration with his colleagues in the Board of Directors and executive management to build the big business empire "SAVOLA". His Excellency attributed his all success – in both personal and business life - to his beloved parents, and to his great uncle Shaikh Hamzah Bogari, God bless and reward him, the founder of this company, as well as, to his colleagues in the Board of Directors, executive management and all employees. At the end of his speech, he extended his sincere thanks and appreciation to the Savola Group for the organization and efforts exerted in arranging this unforgettable event and the documentary film run during the event. His word touched all attendees, who shared with HE the same warm feelings and emotions.



H.E Eng. Adel Fakeih receives recognition plaque from Dr. Abdulraouf Mannaa, Group MD and Mr. Sulaiman Al-Muhaidib, Chairman of the Board, and Mr. Mahmoud Abdul Ghaffar, SVP Corporate Affairs, are seen in the photo.



Dignitaries, Businesses men as well as Savola executives and employees during the Honoring ceremony. Also, Sh. Ahmed Fitaihi, sh. Ibrahim M. Alissa, Mr. Yousuf Alireza, H.E Eng. Mohammed Rehami and H.E. Saleh Al-Khelaiwi are seen in the photo.



His Excellency also receives recognition award from Mr. Sulaiman Al-Muhaidib, Chairman of the Board, and Dr. Abdulraouf Manna, Group MD & Mr. Mahmoud Abdul Ghaffar, SVP Corporate Affairs, are seen in the photo.

Eng. Adel Fakeih Major Achievements in the Savola Group:

H.E Adel Fakeih led the Group with efficient & professional Board of Directors and Executive Management, through his wise leadership the Group succeeded in transforming Savola from a simple Edible oil manufacturing company, in a relatively short period of time, to one of the fastest growing multinational food groups and among the largest diversified conglomerates in the Kingdom and, in the Middle-East, North-Africa and Central-Asia regions. Part of his major achievements are summarized as follows:

- During his tenure, he was instrumental in leading the rapid growth of Savola, and with his leadership, the Group was able to build a wide portfolio of businesses including Edible Oils, Sugar, Packaging, Real Estate and others. Today, Savola has expanded to Egypt, Sudan, Kazakhstan, Iran, Morocco, Algeria, Lebanon and Turkey. It also managed to build and develop strong brands. These brands include "Afia, AL Arabi and Al-Osra".
- In 1990, Savola Packaging Systems (SPS) began trading. As well as supplying all of Savola Edible Oil's plastic bottle needs, SPS also started providing bottles to sell to third party customers. On same year, it acquired the Carton factory and later Saudi Paper Cups and Containers (SPCC), which have been divested in 2000 along with other peripheral businesses in the group portfolio as a result of the group strategy to focus on flexible & rigid plastic products supply to local vendors and exports.
- In 1991, Savola became a 40% shareholder of Al-Marai Company, the Middle East's leading producer of fresh dairy products, fruit juices, and bakery products. Savola continued to retain almost 30% stake in Al Marai after it has become publicly listed company. Al-Marai has proved to be an excellent strategic investment which continued to add value to the group over the years.
- In 1992 a new Savola subsidiary was established in Egypt under the name of Savola Egypt Food Products Company to produce edible oils and ghee. Subsequently, in 1995 Savola Egypt Factory was launched and then Savola Egypt merged its business with Sime Darby Company of Malaysia, under which the Savola Egypt owned 50% consolidated business of the two companies. Since then, the story of success continued in the Egyptian market.
- In 1994, Savola Established the United Sugar Company (USC), which started its commercial production in 1997. The company in the beginning faced very tough and unfair dumping by European producers. In response, His Excellency led a successful campaign to face this unfair dumping into the Saudi sugar market. These efforts were crowned by the government's approval to impose 20% as tariff for imported sugar. Today, USC produces over 1.5 million tons of sugar and exports a large amount every year. Later, it established a sugar refinery in Egypt with production capacity of 750 KMT per year.
- The Group also merged in 1998 with Azizia Panda supermarkets and soon implemented the Panda Hypermarket format with extraordinary success. Lately, the company has also acquired Giant Stores which was owned by AL Muhaidib Group & Saudi Gèant which was owned by Al Hokair Group. Today Panda operates more than 150 stores Kingdom-wide (in both Hypermarket and Supermarket formats), one hypermarket in Dubai and several stores in Lebanon.
- As part of Azizia Panda Merger, the Savola Company has acquired 70% of Herfy Foods Services Company stakes. Following the Herfy IPO, Savola's stake currently stands at 47.6%.
- The Savola Group has also expanded into the real estate development business through Kinan International Real Estate Development Company and through its investment in Jordanian Tameer Company (5% stake). Savola is also a Founder Shareholder of Knowledge Economic City in Madinah and a Founder Shareholder of King Abdullah Economic City in Rabigh, Saudi Arabia.

The "Triple Five" Goal

- In 1999, His Excellency led the challenge goal drawn by the Board of Directors, which was the 'Triple Five' goal "555" that aimed to achieve SR 500 Million profit, SR 5 Billion sales by the year 2005. That goal was indeed achieved a year ahead of plan (i.e. in 2004).

Adoption of Solid Corporate Culture:

- In the nineties, Eng. Adel Fakeih adopted the idea of establishing a company's moral stan-

dard or code of ethics which stem out from our Islamic culture. This culture seeks the balance among competing interests both within the individual and among the contending stakeholders with whom an organization deals in the normal course of business activities, these value pillars are:

Amanah (Honesty): Our responsibility towards our shareholders, through maximizing profits and commitment to transparency.

Birr (Caring Justice): Our responsibility towards colleagues, through developing capabilities, motivation, guidance, sharing of ideas.

Taqwa (Contentiousness): Our responsibility to our customers and the community at large by providing high-quality products, with reasonable price and contribute to the community development.

Mujahadah (Personal Control): is the drive within us towards self-improvement & excellence progressively.

CSR & Corporate Governance:

Also as part of its balanced way culture, Savola launched Corporate Social Responsibility (CSR) "Savola Bridges" and Corporate Governance "Savola Pledges". The CSR concept means open and transparent business practices that are based on ethical values and respect for all stakeholders: employees, investors, the community and the environment. It has since, evolved to deliver sustainable value to society at large, as well as to shareholders. With "Pledges", Savola undertakes that all contracts between employees, suppliers, vendors, and partners alike will be honored and will be transparent, fair and honest with all stakeholders. With "Bridges" the company initiated a variety of programs specifically designed for long-term community development. The Company's "Bridges" are innovative, action-oriented self-help programs to provide opportunities for the less fortunate to cross the path towards self-reliance and self-productivity. Notable CSR programs included the establishment of the Savola Center for Empowering Person with Disabilities, aimed at training and securing employment for disabled persons in the Group and outside.

Herfy Food Services Company Achieves SR 91.2 Million Net Profits in Nine Months and Launches New Restaurants to Reach 170 Outlets in Total Kingdom wide

Herfy, (which is 47.6% owned by the Savola Group), has succeeded to increase its sales and operational efficiency in all its sectors during the 3rd quarter of 2010, as a result of these efforts, the net profits of Herfy for this quarter reached SR 30.4 million compared with SR 29.9 million for the same period of last year, with 1.7% increase. This result driven the total net profits for the first nine months of 2010 to reach SR 91.2 million against SR 85.04 million for the same period of last year i.e. with 7.2% increase.

With the continued success of Herfy and for more progress and expansion, it has succeeded to launch additional four new branches during the third quarter of this year, the first one in Riyadh at exit-16 in Al Haram Mall, second in Al Nakheel Mall in Buraidah Al Qassim, the third in Badaih Mall in Riyadh and the fourth one also in Riyadh at Wadi Laben. The locations of these restaurants were chosen carefully and exceptionally whereby

the total number of Herfy restaurants reached 170 branches Kingdom wide. In addition, Herfy has executed a number of promotional offers for its quality products during various festivals, events and occasions occurred during the said quarter. These promotional offers have been well received

by the company customers and those who love its fast meals and other products.

On the other hand, and in order to further enhancement its role in community development, Herfy has participated in a number of events such as Unaiza 6th International Date Festival 2010, Weekly meetings for Employment in collaboration with Riyadh Chamber of Commerce & Industry, in addition to many other charitable and social participations. Also, Herfy has already completed and signed the seventh agreement for 2010 with the Human Resources Development Fund (HRDF) in Riyadh to employ 110 of young Saudis in various positions, thus the Company is still planning to employ and train the young Saudis in collaboration with the HRDF in Riyadh to work in its various departments and restaurants.

As a result of the company's continued efforts in HR area, the Saudization percentage in Herfy reached, by the end of the 3rd quarter of the current year, 30% of its total workforce.

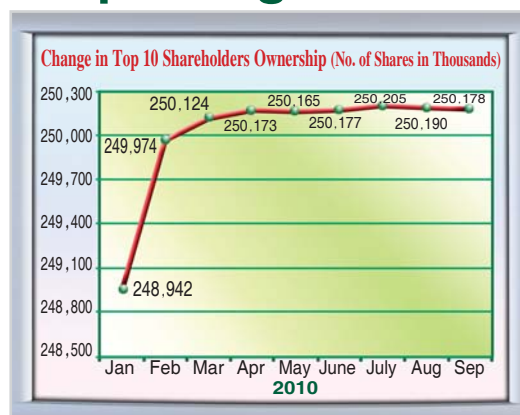


Transparency Screen

Savola Continues Updating Share Monitoring System

In a move designed to further boost transparency, Savola has adopted a 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:

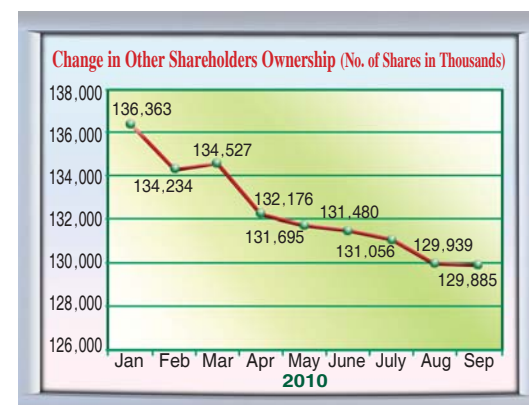
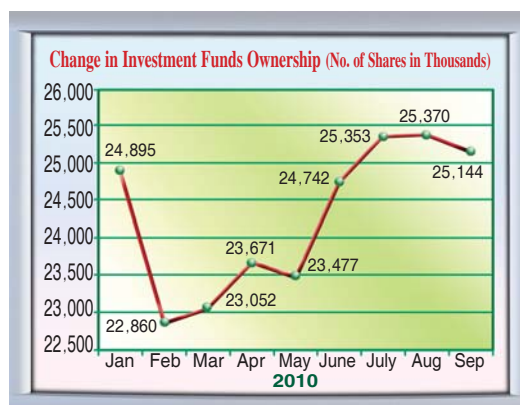
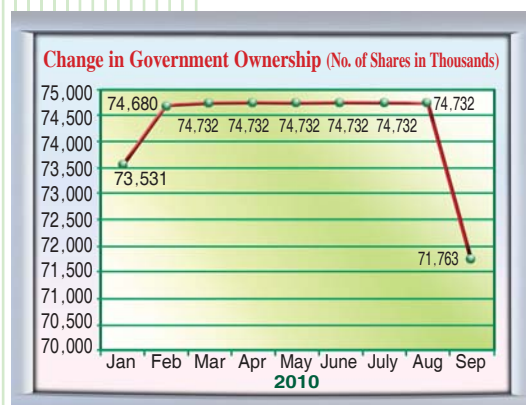
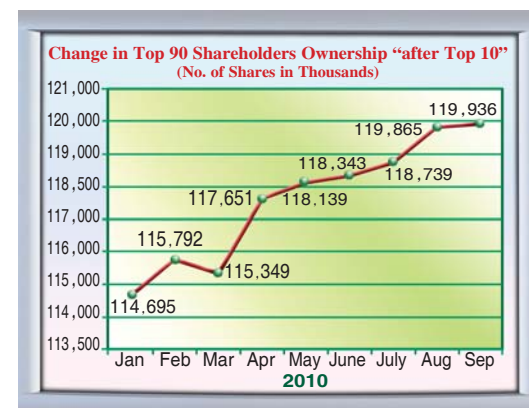
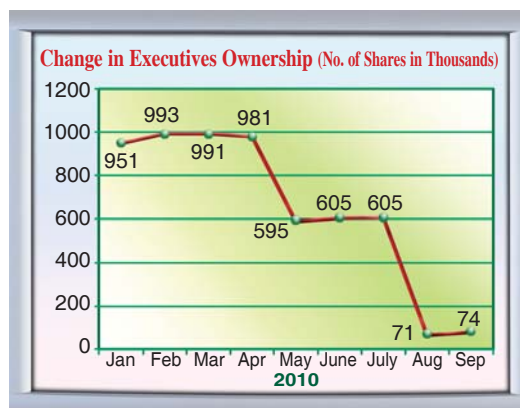
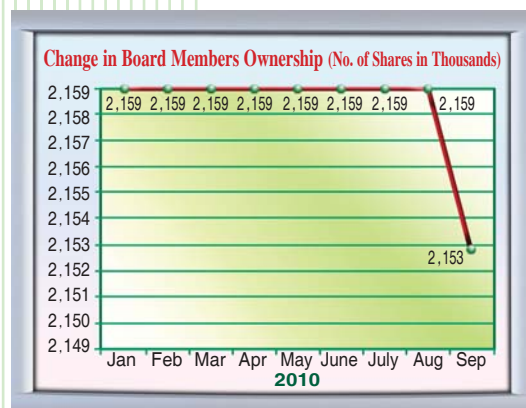
www.savola.com



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 nine month of the year (i.e. from January to September, 2010).

Note the Company's capital is fixed at S.R. 5 billion divided into 500 million ordinary cash shares and the company total shareholders are about 160,000.



SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED BALANCE SHEET (UNAUDITED)

As at September 30, 2010

	2010 (SR 000)	2009 (SR 000)
ASSETS		
Current assets:		
Cash and cash equivalents	920,652	815,137
Trade receivables	1,682,611	1,685,881
Inventories	2,342,406	2,476,416
Prepayments and other current assets	1,220,425	898,638
Total current assets	6,166,094	5,876,072
Non-current assets:		
Investments	6,056,697	4,723,760
Intangible assets	1,111,453	1,233,973
Property, plant and equipment	5,015,166	4,999,246
Total non-current assets	12,183,316	10,956,979
Total assets	18,349,410	16,833,051
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term bank debts	1,608,926	1,839,518
Current portion of long-term debts	693,246	551,500
Trade payables	2,365,187	2,113,041
Accrued expenses and other current liabilities	1,442,107	1,510,860
Total current liabilities	6,109,466	6,014,919
Non-current liabilities:		
Deferred gain	113,953	31,390
Long-term payables	59,679	70,200
Long-term debts	3,054,359	2,428,445
Employees' termination benefits	271,422	252,341
Total non-current liabilities	3,499,413	2,782,376
Total liabilities	9,608,879	8,797,295
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	(107,160)	(3,224)
Foreign currency translation account	(217,823)	(196,901)
Retained earnings	1,687,013	1,119,016
Total shareholders' equity	7,234,132	6,695,836
Minority interests	1,506,399	1,339,920
Total equity	8,740,531	8,035,756
Total liabilities and equity	18,349,410	16,833,051

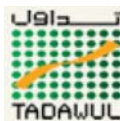
Savola major shareholders list who owns 5% or more from the company shares as of 31st October 2010

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 percentage is updated according to Tadawul register as of 31st October 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-Egtisadia Newspaper Issue No (6218) dated 20th October 2010.
- Al-Bilad Newspaper – Issue No (19640) dated 23rd October 2010.

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

SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

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INTERIM CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the three-month and nine-month periods ended September 30, 2010

	Three-month period ended		Nine-month period ended	
	Sept 30, 2010 (SR 000)	Sept 30, 2009 (SR 000)	Sept 30, 2010 (SR 000)	Sept 30, 2009 (SR 000)
Revenues - net	5,612,721	5,103,674	15,245,232	13,095,516
Cost of revenues	(4,751,383)	(4,200,759)	(12,883,877)	(10,755,362)
Gross profit	861,338	902,915	2,361,355	2,340,154
Share of profits of associates and jointly controlled entity and dividend income - net	135,560	97,510	350,661	304,798
Other income - net	26,660	21,649	139,091	61,819
Total income	1,023,558	1,022,074	2,851,107	2,706,771
EXPENSES				
Selling and marketing	(480,962)	(442,806)	(1,390,710)	(1,209,398)
General and administrative	(139,189)	(130,683)	(430,645)	(395,268)
Total expenses	(620,151)	(573,489)	(1,821,355)	(1,604,666)
Income from operations	403,407	448,585	1,029,752	1,102,105
Gain on disposal of investments	--	--	195,056	100,968
Impairment loss on AFS investments	--	--	--	(74,241)
Financial charges - net	(49,191)	(49,253)	(143,402)	(169,010)
Income before Zakat and income tax and minority interests	354,216	399,332	1,081,406	959,822
Zakat and income tax	(29,002)	(49,547)	(78,299)	(84,865)
Net income before minority interests	325,214	349,785	1,003,107	874,957
Share of minority interests in the net income of consolidated subsidiaries	(42,222)	(71,892)	(118,422)	(192,011)
Net income	282,992	277,893	884,685	682,946
Earnings per share (SR)				
- Income from operations	0.81	0.90	2.06	2.20
- Net income	0.57	0.56	1.77	1.37

SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the nine-month periods ended September 30, 2010

	2010 (SR 000)	2009 (SR 000)
Cash flows from operating activities:		
Net income	884,685	682,946
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortisation and impairment	442,785	421,553
(Gain) on sale of property, plant and equipment	(5,914)	(4,232)
(Gain) on disposal of investments	(195,056)	(100,968)
Financial charges	143,402	169,010
Share of minority interests in net income of consolidated subsidiaries	118,422	192,011
Changes in operating assets and liabilities:		
Trade receivables	(282,689)	(186,544)
Inventories	(88,782)	52,400
Prepayments and other current assets	(402,205)	(21,091)
Trade payables	556,334	492,123
Accrued expenses and other current liabilities	42,882	20,234
Employees' termination benefits	29,136	13,469
Total adjustments	358,315	1,047,965
Net cash provided by operating activities	1,243,000	1,730,911
Cash flows from investing activities:		
Effect of deconsolidation of Herfy	(20,062)	--
Net change in investments	(598,731)	(132,369)
Net change in intangible assets	(22,614)	(96,506)
Net addition to property, plant and equipment	(399,138)	(810,457)
Net cash (used in) investing activities	(1,040,545)	(1,039,332)
Cash flows from financing activities:		
Net change in short-term debts	(574,921)	(1,959,431)
Net change in long-term debts	931,119	1,705,430
Net change in minority interests	(84,291)	320,518
Financial charges	(143,402)	(169,010)
Changes in restricted deposits	55,918	--
Dividend paid	(501,352)	(378,833)
Net cash (used in) financing activities	(316,929)	(481,326)
Net change in cash and cash equivalents	(114,474)	210,253
Cash and cash equivalents at beginning of the period	1,001,185	604,884
Cash and cash equivalents at end of the period	886,711	815,137
Non cash items:		
Foreign currency translation adjustments	3,972	(35,974)
Unrealized (loss) gain on available-for-sale investments	85,559	124,029
Directors' remunerations	1,650	3,000

The Savola Group Launches the Mobile Dental Clinic at Value of SR 2 Million



The objective of this Dental Mobile Clinic is to provide medical treatment and preventive care services to the populations of the endowment buildings, poor districts, remote housing areas and persons with disabilities. The launching ceremony was attended by Dr. Ghassan Ahmed Al Sulaiman, Chairman of the Savola CSR Committee, Dr. Abdulraouf M. Mannaa, Managing Director of the Savola Group, Dr. Adnan Al-Mazrouh, Under-Secretary - King Abdulaziz University,

Based on its role towards the community and its interests to achieve its objectives in the field of Corporate Social Responsibility (CSR), the Savola Group, in collaboration with King Abdulaziz University represented by Dental Faculty, launched the project of mobile dental clinic with cost at SR 2 million. The vehicle is well furnished with the latest medical equipment and appliances of oral and dental care health.



Dr. Abdulghani Mira, Dean of Dental Faculty, Mr. Mahmoud Abdul Ghaffar, SVP - Corporate Affairs, Mrs. Faten Al- Yafi, Executive Director - CSR, PR & Corporate Services, who made a brief presentation on the high-tech used in the vehicle and highlighted the remarkable relations between the two institutions. Also a number of officials from KAU and Savola Group attended the ceremony. Both parties have confirmed through the presentation and words delivered that this

initiative marks the significant role played by both institutions to serve their community, in addition of harvesting the fruit of the constructive collaboration and mutual objectives of the two institutions. In this regard, the university Under-Secretary has extended his sincere thanks and gratitude to Savola Group for offering the University the mobile dental clinic vehicle and covered its total cost, which will definitely help in serving the community and assist the Dental Faculty to achieve its targets.

Savola Participates, as a Strategic Partner, in the CSR Partnership Forum between Public and Private Sector



Mrs. Faten A. Al Yafi,
Executive Director – CSR,
PR & Corporate Services
Savola Representative

In line with the Savola's commitment to serving the community, the Group has participated as a strategic partner in the "CSR Partnership Forum between Public and Private Sector", which is attended by a large number of experts and specialists in the field of CSR from the public and private sectors and organized under the patronage of His Excellency Dr. Yousef Al-Othaimeen, Minister of Social Affairs. The objective of the forum is to enhance the concept of the CSR as well as to increase the public awareness related to the partnership between these two sectors mainly in CSR field. Moreover, this step will help to define and assess the community needs and priorities; highlight the advantages of partnership and exchange of constructive views between the two sectors.

During the Forum, Mrs. Faten A. Al Yafi, Executive Director – CSR, PR & Corporate Services presented a paper on Savola CSR experience and the "Partnership in CSR between the public and private sectors", she also highlighted the role of the commercial sector within the economic system where she has presented some statistics that reflect the magnitude contribution of the commercial sector in the field of CSR in Saudi Arabia. Following this, Mrs. Faten demonstrated Savola's achievement in the field of CSR which was a true translation of the community needs, these



achievements include Savola Center for Empowering Person with Disabilities which targeting to train and employ person with disabilities. In this regard, she stated that "the Center has launched the pilot project which aims to train the persons with disabilities and employ them in Savola Group and its subsidiaries. Also, she indicated that the Group has been working to create a demand by encouraging the other national companies to contribute by employing the disable persons after being trained and equipped by the necessary skills by Savola Center.

Azizia Panda United Company Signs an Agreement with HRDF To Train and Employ 2000 Young Saudis



Dr. Abdulaziz Ismail,
VP for Panda's HR
Development & CEO of
Saudi Retail Institute

In line with the Panda's commitment to serving the community and enhancing its initiative in the CSR, Azizia Panda United (a subsidiary of Savola Group) has signed two agreements with the HRDF whereby, Panda will train 1000 young Saudis on the job site and another 1000 Saudis will be trained under the training program ended with employment. Both agreements were

signed by Dr. Abdulaziz Ismail, VP for Panda's HR development & CEO of Saudi Retail Institute, who represented Panda, and Mr. Ahmed Al-Ghamdi, Manager of Riyadh branch, who signed on behalf of HRDF (Hadaaf). Both agreements aim to train & skill the young Saudis and employ them in the available opportunities in Panda within its attempt and efforts, in collaboration with the HRDF, to train & skill



young Saudi applicants to avail qualified & competent candidates to meet the needs of Saudi labor market.

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