

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.

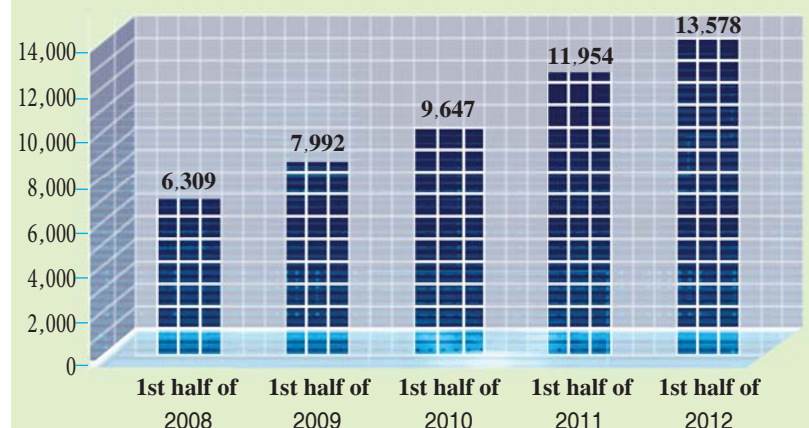
Savola Group Net Profit (Without Capital Gain) for the 2nd quarter grows by 48% to Reach SR 341 Million Over the Same Quarter Last Year Net Profit for the 1st Half of 2012 Reaches SR 583.6 Million And Distributes SR 150 Million Cash Dividends to its Shareholders for the 2nd Quarter of the Year

And Expects to Achieve SR 340 Million Net Profit (Without Capital Gain) for the Q3, 2012

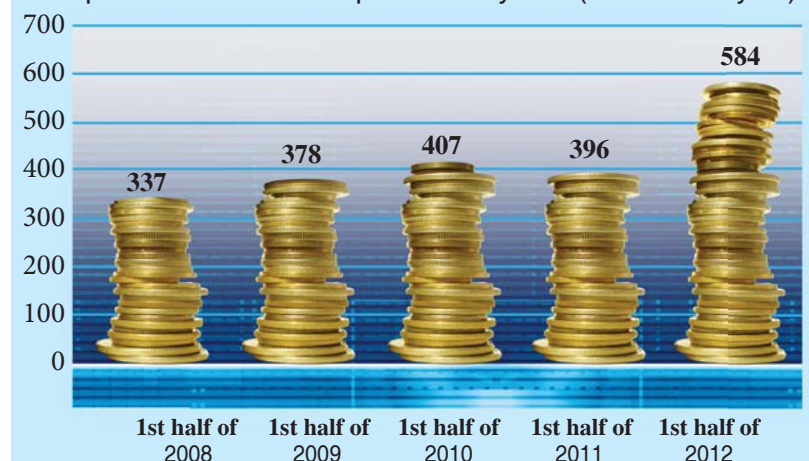
- Savola achieved net income of SR 341.3 Million for the Second Quarter ended 30 June 2012 an increase of 48 % compared to the same quarter last year.
- Net income for the six months ended 30 June 2012 amounted to SR 583.6 Million an increase of 47.4% compared to same period last year of SR 395.9 Million.
- Group Revenues Grew by 13.6% to reach SR 13.5 billion for the 1st half of 2012.
- Panda launched three new branches in Jeddah, Makkah, AlKharj and is awarded the Excellence Award in Supply Chain and Distribution.
- United Sugar Co. launched its new product "Sweeva".
- Savola Foods Co. launched Al Arabi "Best Fry" with new and healthy features.
- Savola Turkey Co. completed its new infrastructure for its distributors.
- Al Marai Co. achieved a net profit of SR 379.5 million for the 2nd quarter 2012 representing an increase of 8.7% compared to the same period last year.
- Herfy Co. achieved net profit of SR 89.9 million for the 1st six months of 2012 representing an increase of 25% compared to the same period last year.
- Kinan International Co. received an award as "Best Work Environment for Real Estate Companies in the Kingdom.
- HE Minister of Labor honored Savola for sponsoring Business Ethics Forum.
- Savola continues its CSR efforts through Makeen Center.
- Savola Group responded to King Abdullah's request to support Syrian people by providing in kind support from its food products.

(For more details see next pages).

Net revenues for the 1st half of 2012 compared with the same period last years (in Million Riyals)



Net Income (before capital gains) for the 1st half of 2012 compared with the same period last years (in Million Riyals)



HE Adel Fakeih , The Minister of Labor honors the Savola Group represented by Mr. Mahmoud Abdul Ghaffar – Chief of Corporate Affairs



The Winner team of MD's Achievement Award
Savola Behshahr Co. Team

Foreword



Eng. Abdullah Mohammed Noor Rehaيمي
Vice Chairman of the Board of Directors
of The Savola Group
Chairman of the Board of Directors
of Savola Food Company

Dear Savola Group Shareholders & Investors,

Let me begin by extending my congratulations and best wishes to you for the holy month of Ramadan, praying to Allah Almighty to shower His blessings on all of us and the Muslim nation. It gives me great honor to greet you in this issue of the Savola Newsletter for Q2 2012, through which we continue to keep you informed on a quarterly basis about the performance of the Group and its most prominent developments.

In this regard I am pleased to inform you that your Group has continued its outstanding performance during Q2 and was able to surpass its forecasts for the quarter. We recorded a net profit (without capital gains) of SR 341.3 million, a 48% increase compared to the same quarter last year, bringing the net profit for the first half of 2012 to SR 583.6 million, a 47.4% increase compared to the same period last year. For more details on The Savola Group's performance you can refer to the financial statements and detailed news in this issue.

These excellent results came, Alhamdulillah, about despite the challenges imposed as a result of repercussions from the Arab Spring in some countries where The Savola Group operates.

The implementation of the Group's strategy will bring more focus on its main sectors and enable us to make the most out of our competitive capabilities by strengthening leadership and expansion at local and regional levels. This will enhance operational performance and the strategic direction of our core sectors, and also contribute to the development of various investment activities that will add value to the Group's investment portfolio.

I would like to point out that the group operates in the food sector through its subsidiary company "Savola Foods Company", which operates in eight countries in the Middle East and North Africa and Central Asia, where it has the leading brands of high quality products in the field of edible oils, vegetable ghee, sugar, and Pasta, the latter having been recently added to our product range. In total we are marketing our products in more than 30 countries around the world.

Despite the difficult conditions experienced by the markets recently, and the political transformations in some countries in the region, as well as the difficulty of passing prices increases on to consumers due to higher prices of raw materials and goods in international markets, the food sector remained a major contributor to the results of The Savola Group with sales last year amounting to around 59% of total sales for the Group.

In conclusion I would like to extend my sincere thanks and appreciation to you and the Group's Board of Directors, management team and all its employees for the trust, support and endeavor, asking Allah to help us fulfill your expectations and achieve The Savola Group's planned goals.

Savola Group Revenues Grow by 13.6% to Reach SR 13.5 Billion For the first Six Months, 2012

Savola Group Net Profit (Without Capital Gain) for Q2 grows by 48% to Reach SR 341 Million Over the Same Quarter Last Year

Net Profit for the 1st Half of 2012 Reaches SR 583.6 Million

Dr. Abdulraouf M. Mannaa, Managing Director of Savola Group declared that the Savola Group has announced its interim consolidated financial results for the period ended 30 June 2012 which showed an outstanding net income of SR 341.3 Million for the Second Quarter ended 30 June 2012 an increase of 48 % compared to the same quarter last year of SR 230.7 Million and an increase of 40.9% compared to SR 242.3 Million for the first quarter 2012 bringing the total net income for the six months ended 30 June 2012 amounted to SR 583.6 Million an increase of 47.4% compared to same period last year of SR 395.9 Million.

Gross profit for second quarter ended 30 June 2012 amounted to SR 1.2 Billion an increase of 24.6 % compared to same quarter last year of SR 963.2 Million. Bringing the total gross profit for the six months ended 30 June 2012 amounted to SR 2.2 Billion an increase of 22.2% compared to

same period last year SR 1.8 Billion.

Operating profit for second quarter ended 30 June 2012 amounted to SR 603.8 Million, an increase of 42.6% compared to same quarter last year SR 423.4 Million bringing the total operating profit for six months ended 30 June 2012 amounted to 1.04 Billion an increase of 42.4% compared to same period last year SR 730.1 Million.

Dr. Mannaa, also indicated that the increase in Group's net income for 2nd quarter 2012, the six month period ended 30 June 2012 as compared to same quarter and period last year is mainly due to turnaround in profitability of its operations in Foods Sector, continued sales growth and increased market share in its Retail Sector, as a result the Group revenues for the six month ended 30 June 2012 reached SR 13.57 Billion an increase of 13.6% compared to the same quarter last year of SR 11.95 Billion.



Savola Expects to Accomplish Net Income SR 340 Million for The Third Quarter of 2012

■ He also highlighted that the 2nd quarter net income reached SR341.3 Million which is 10% higher than the forecast of SR 310 Million. The increase in net income of the 2nd quarter compared to 1st quarter of this year is due to the reasons mentioned above as well as the seasonal impact experience every year.

Insha'Allah, Savola expects to achieve a net income before capital gain of SR 340 million for third quarter of 2012, God willing.

Savola Distributes SR 150 Million Cash Dividends for Q2, 2012

On the other hand, and in continuation of its declared policy to distribute quarterly dividends to its shareholders and due to the outstanding net income achieved during 2nd quarter, 2012, which reached SR 341.3 Million, Dr. Abdulraouf M. Mannaa, Group Managing Director announced that the Savola Group's Board of Directors, has approved on Thursday 19th July 2012, the distribution of SR 150 Million, (i.e. SR 0.30 per share) as dividends for the 2nd quarter of 2012 to the shareholders registered in the company books by end of the trading date of Wednesday 25th July, 2012. The dividends payments process will start as of Saturday 11th August 2012.

As part of its expansion plan

Panda Launches Three New Branches in Jeddah, Makkah, and AlKharj



■ Al Azizia Panda United, (one of Savola Group subsidiaries) has launched in 2012 three new branches in Jeddah, Makkah, and Al Kharj, which raises the total number of its branches to 136 in all over the Kingdom. On this occasion, Mr. Mowafaq Mansour Jamal, CEO of Panda, clarified that the three regions are considered one of the regions that are filled with economic and production activities, and it is expected that will have a bright future since there is government interest for their expansion plans.

Additionally, there are also high demands to launch new branches in this region, this is why panda was keen to be close to its customers by providing them with best services and products under one roof.

Mr. Jamal also explained that there are 71 Saudi employees working in the new branches, and they represent 45% of the total workforce in these branches, pointing out that these branches

have benefited from its human resources. In addition to its infrastructure that enhances the facilitation of employees with special needs.

The total area of the three branches is 8,063 Sqm, in which 5,860 Sqm has been allocated for sales. The launch of these branches is part of the strategic plan adopted by Panda, who are planning to increase its branches in the Kingdom to 200 within the next two years.

Managing Director's Speech



Dr. Abdurraouf M. Mannaa
Group Managing Director

Dear Savola Shareholders & Investors,

I would like to extend to you my most sincere wishes and regards on the arrival of the Holy Month of Ramadan, may Allah the All Mighty accept our good deeds and bless everyone with good health and wellness.

It also gives me great pleasure to welcome you to «Savola Newsletter for the 2nd quarter, 2012 issue, and I am pleased to announce the outstanding results of your Group, where it registered - by the grace of Allah, good growth in sales for the first half of this year with net sales exceeding SR 13 billion representing an increase of 13.6% compared to the same period last year. These sales have resulted in record net profit for the quarter which amounted to SR 341.3 million, a 48% increase compared to the same quarter of last year, bringing its net profit for the first half of this year to SR 583.6 million, an increase of 47.4% compared to the same period last year. The growth in sales and profitability during the first quarter and the first half of 2012 were due to the outstanding performance in the food sector and continued growth in sales and increase market share in the retail sector, along with seasonal consumption and which is usually happens during the Q2 of each year.

What is quite rewarding is the Group's quest to achieve high returns and added value to its shareholders which currently are well over 160,000 shareholders. Reinforcing this and in continuation of its declared policy to distribute quarterly dividends to its shareholders, the Board of Directors approved to distribute SR 150 million as dividends for the Group's shareholder for the 2nd quarter of 2012 bringing the total distribution of dividends for 1st and 2nd quarter to reach SR 300 million.

Furthermore, reinforcing its transparency and corporate governance adopted by the Group, Savola continued to disclose its annual and quarterly financial projection. The Group announced its expectation to achieve SR 340 million in profits for the 3rd quarter this year which are part of the announced full year projections for net profit (before capital gains) which is SR 1.2 billion. These projections were made officially on the Saudi Capital Market "Tadawul."

Corporate Social Responsibility is another key driver stemming from the Group's belief in serving the community. The Group participated and supported the Business Ethics Forum which was organized by the Ministry of Labor and work is in progress to further implement key CSR projects through Makeen, Savola's Center for Empowering Persons with Disabilities. The Savola Group also continues to support key initiatives including the campaign launched by The Custodian of the Two Holy Mosques to support the Syrian people.

My colleagues and I in the Board of the Directors thank the All Mighty Allah for the outstanding results that your Group has achieved and we ask the All Mighty to support us all in reinforcing our Group strategy to focus on our core sectors which will enhance and build shareholder value. Before closing, I take this opportunity to thank you and our all employees across the Group (locally and overseas) and look forward to meeting you in the next issue coinciding with the 3rd quarter of 2012 to fulfill what was promised in terms of projections an expectation.

Savola Foods Launches Al Arabi "Best Fry"



■ Savola Foods, the leading manufacturer of edible oils in the Kingdom unveiled its new look for Al Arabi "Best Fry" which has unique and innovative healthy features.

The launch event was held using popular artistic approach amidst a large audience. Similar events were held in Riyadh and Jeddah as part of the launch road show.

Al Arabi is the leading deep frying oil in the Kingdom for over 30 years.

The new look for Al Arabi "best fry" represents an additional value to the company's current edible oils product portfolio, which includes, beside Al-Arabi brand, the leading brand "Afia" under the corn category.

United Sugar Company launches its new product "Sweeva" in sweetening sector

■ United Sugar Company (one of Savola Foods Company subsidiaries) has launched lately its new product in sweetening sector "Sweeva", aiming to develop and to diversify its products basket and its branding marks by entering for the first time into this sector to provide sugar alternatives for consumers who are looking for quality product for their healthy need to be added to its current trademarks including (Alosra Sugar, Ziyadah Sugar) which is gaining significant acceptance in the local and regional markets.



“Al-Marai” Achieves Net Profit of SR 379.5 Million for Q2, 2012 with an Increase of 8.7%

■ Al-Marai Company (which 29.9% owned by the Savola Group) achieved distinguished results for the second quarter and the first six months of 2012, Al-Marai generated a consolidated net profit for the 2nd quarter, 2012 amounted to SR 379.5 Million with an increase of 8.7% compared to the same period last year (SR 349.3 Million), bringing the total net profit of the six months to SR 621.6 million, an increase of 6.4% compared to the same period last year (SR 584.5 million).

The company also achieved sales for the first six months of 2012 amounted to SR 4,564.5 million, an increase of 21.5% compared to the same period last year (SR 3,756.4 million).

The reason for sales growth during the 2nd quarter compared to the same period last year was attributed to the sales growth in all sectors, especially bakery and poultry due to further product development and continuous improvement of services to its customers. In addition to organic

growth, Almarai has fully consolidated International Dairy and Juice Limited (IDJ) for the first time, as a result, Almarai now holding a majority shareholding following the increase of share capital of IDJ when sales have increased by SR 164.6 million as a result of this first time consolidation.

ALMARAI COMPANY LAUNCHES ITS INFANT FORMULA FACTORY: Almarai has launched during the second quarter 2012, through its joint venture with Mead Johnson, International



Pediatric Nutrition Co (IPNC), the Infant Formula new factory in Al Kharj. These products undergo a series of rigorous

quality checks and verification processes, ensuring the products compliance to preset quality standards.

An Increase By 25%

(Herfy) Achieves Net Profit of SR 89.9 Million for the First Six Months 2012



■ Herfy Food Services Company (49% owned by Savola Group) has accomplished for the period ended 30/06/2012, accomplishing net profit for the second quarter amounted to SR 49.3 Million compared to the last year, amounted to SR 39.4 Million with an increase by 25.1%, bringing the total net profit for the six months to SR 89.9 Million compared to SR 71.9 Million during the same period from the previous year, with an increase of 25%.

Additional to this, sales for the six months were SR 417.3 Million compared to SR 347.7 Million for the same period from the previous year, with an increase of 20%. These positive results for the first half of 2012 are due to the increase in sales as well as the increase in the operating efficiency of the company's different sectors. Moreover, it

is worth mentioning that the company has opened 6 new restaurants during the first half of 2012, in addition to having started the production from the first bread line at its new factory. The increase of the net profit of the second quarter compared to the first quarter is due to the variance in demand between both periods.

Savola Turkey Completes National Set-up of New Distributors

■ Savola Turkey (Yudum Gida - One of business entity of Savola Foods Sector) completed the set-up of its new National Distributor network in the Turkish Traditional Trade during Q2, 2012. Yudum previously co-operated with Unilever's 41 distributors nationwide in the Traditional Trade since 2003 under an exclusive Sales & Distribution Agreement.



Mr. Abderrahim Maaraf
CEO of Savola Foods Co.

The transition of distributors started in April 2012 and all three stages of regions were completed by the end of June 2012. As a result, 25 new distributors were selected for sales and distribution of Yudum and Sirma brands portfolios delivering full national coverage.

In parallel, Yudum's field sales management organization was expanded, Enterprise Resource Planning (ERP) systems and infrastructure upgraded, and related procedures were revised. In this connection Mr. Abderrahim

Maaraf, CEO of Savola Foods Co. highlighted that this move is part of Savola's strategy to control the possibility of distributing its products through dealing with the largest distributors with distinctive capabilities in the areas of their operations, with the objective to increase field sales focus on our brands, increase numeric and weighted distribution, reduce costs and complexity in order to deliver Savola Turkey's growth and profitability targets in the very competitive Turkish market.



SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

Interim consolidated balance sheet

(All amounts in Saudi Riyals thousands unless otherwise stated)

As at June 30, 2012

Assets	June 30,	
	2012 (Unaudited)	2011 (Unaudited)
Current assets		
Cash and cash equivalents	1,002,671	661,521
Accounts receivable	1,754,091	1,944,156
Inventories	3,411,354	2,894,119
Prepayments and other receivables	2,321,324	1,206,729
Assets classified as held for sale	214,102	190,719
	<u>8,703,542</u>	<u>6,897,244</u>
Non-current assets		
Long term receivables from a related party	327,374	-
Investments	5,546,639	6,136,641
Property, plant and equipment	5,423,819	4,652,772
Intangible assets	1,300,837	1,000,688
	<u>12,598,669</u>	<u>11,790,101</u>
Total assets	<u>21,302,211</u>	<u>18,687,345</u>
Liabilities		
Current liabilities		
Short-term borrowings	3,211,959	2,648,232
Current maturity of long-term borrowings	860,751	777,768
Accounts payable	2,763,327	2,482,341
Accrued and other liabilities	2,022,617	1,602,264
Liabilities classified as held for sale	213,288	202,629
	<u>9,071,942</u>	<u>7,713,234</u>
Non-current liabilities		
Long-term borrowings	2,374,877	2,141,898
Deferred gain	107,667	114,086
Long-term payables	56,683	58,759
Employee termination benefits	331,382	290,717
	<u>2,870,609</u>	<u>2,605,460</u>
Total liabilities	<u>11,942,551</u>	<u>10,318,694</u>
Equity		
Equity attributable to shareholders of the Company:		
Share capital	5,000,000	5,000,000
Statutory reserve	1,077,010	956,772
General reserve	4,000	4,000
Retained earnings	2,162,804	1,570,136
Fair value reserve	121,332	(70,289)
Effect of acquisition transaction with minority shareholders without change in control	2,042	(59,443)
Currency translation differences	(414,597)	(258,232)
Total shareholders' equity	<u>7,952,591</u>	<u>7,142,944</u>
Minority interest	<u>1,407,069</u>	<u>1,225,707</u>
Total equity	<u>9,359,660</u>	<u>8,368,651</u>
Total liabilities and equity	<u>21,302,211</u>	<u>18,687,345</u>

Savola major shareholders list who owns 5% or more from the company shares as of 28th July 2012

Ser.	Shareholders name	Ownership Percentage*
1.	Mohammed Ibrahim Al-Issa	12.0 %
2.	General Organization for Social Insurance	10.9 %
3.	Abdullah Mohammed Al-Rabe'ah	8.7 %
4.	Abdulgadir Al-Muhaidib & Sons Company	8.5 %

* 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,

Notes:

1-The above percentage is updated according to Tadawul register as of 28th July 2012 and may change from time to time based on the trading movement in the Savola Group shares in the stock market.

2- 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)

3- These results were also published within the statutory period as required by regulations in the following newspapers:

● Al-Wattan Newspaper Issue No (4316) dated 24th July 2012.



SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

Interim consolidated income statement

(All amounts in Saudi Riyals thousands unless otherwise stated)

For the Three-month & six-month periods, ended June 30, 2012

	Three-month period ended June 30,		Six-month period ended June 30,	
	2012 (Unaudited)	2011 (Unaudited)	2012 (Unaudited)	2011 (Unaudited)
Revenues	6,989,081	6,312,577	13,578,053	11,954,317
Cost of sales	(5,795,690)	(5,349,382)	(11,388,956)	(10,128,113)
Gross profit	<u>1,193,391</u>	<u>963,195</u>	<u>2,189,097</u>	<u>1,826,204</u>
Share in net income of associates and dividend income - net	136,321	108,674	243,431	188,533
Other income - net	18,123	33,529	34,751	54,306
Total income	<u>1,347,835</u>	<u>1,105,398</u>	<u>2,467,279</u>	<u>2,069,043</u>
Operating expenses				
Selling and marketing	(607,516)	(535,218)	(1,147,212)	(1,056,129)
General and administrative	(136,453)	(146,753)	(277,315)	(282,811)
Total expenses	<u>(743,969)</u>	<u>(681,971)</u>	<u>(1,424,527)</u>	<u>(1,338,940)</u>
Income from operations	603,866	423,427	1,042,752	730,103
Financial charges	(98,039)	(108,604)	(196,271)	(178,342)
Income before zakat and foreign income taxes and minority interest	505,827	314,823	846,481	551,761
Zakat and foreign income tax	(54,133)	(28,031)	(94,173)	(55,902)
Net income before minority interest	<u>451,694</u>	<u>286,792</u>	<u>752,308</u>	<u>495,859</u>
Minority interest	(110,373)	(56,059)	(168,682)	(99,963)
Net income for the period	<u>341,321</u>	<u>230,733</u>	<u>583,626</u>	<u>395,896</u>
Earnings per share:				
▪ Operating income	1.21	0.85	2.09	1.46
▪ Net income for the period	0.68	0.46	1.17	0.79

SAVOLA GROUP COMPANY

(A Saudi Joint Stock Company)

Interim consolidated cash flow statement

(All amounts in Saudi Riyals thousands unless otherwise stated)

Six month period ended June 30, 2012

	2012 (Unaudited)	2011 (Unaudited)
Cash flow from operating activities		
Net income for the period	583,626	395,896
Adjustments for non-cash items		
Depreciation and amortisation	266,655	274,844
Minority interests	168,682	99,963
Financial charges	196,271	178,342
Share in net income of associates	(243,431)	(188,533)
Gain on sale of property, plant and equipment	(5,265)	(4,511)
Changes in working capital		
Accounts receivable	61,549	(441,222)
Inventories	(258,905)	(367,049)
Prepayments and other receivables	(943,786)	(198,998)
Long term receivables from a related party	(18,696)	-
Accounts payable	44,400	406,767
Accrued and other liabilities	642,200	69,895
Employee termination benefits	24,119	14,611
Net cash generated from operating activities	<u>517,419</u>	<u>240,005</u>
Cash flow from investing activities		
Purchase of property, plant and equipment	(439,149)	(298,786)
Net change in investments	149,264	162,531
Proceeds from sale of investment	1,830	-
Proceeds from sale of property, plant and equipment	47,071	120,718
Effect of transaction with minority shareholder without change in control	61,485	-
Net change in intangible assets	(13,686)	(20,843)
Net cash utilized in investing activities	<u>(193,185)</u>	<u>(36,380)</u>
Cash flow from financing activities		
Net increase in short-term borrowings	456,530	578,698
Net decrease in long term borrowings	(241,969)	(184,398)
Net change in minority interests	(109,963)	(69,087)
Financial charges	(196,271)	(178,342)
Dividends paid	(443,974)	(251,638)
Net cash utilized in financing activities	<u>(535,647)</u>	<u>(104,767)</u>
Net change in cash and cash equivalents	<u>(211,413)</u>	<u>98,858</u>
Cash and cash equivalents at beginning of period	1,214,084	562,663
Cash and cash equivalents at end of period	<u>1,002,671</u>	<u>661,521</u>
Supplemental schedule of non-cash information		
Fair value reserve	122,140	19,823
Currency translation differences	(110,928)	(27,806)
Directors' remuneration	1,200	1,200
Assets classified as held for sale	214,102	190,719
Liabilities classified as held for sale	213,288	202,629

Panda Receives Excellence Award in Managing Supplies and Distributions Chain from CHEP



CHEP, the world's leading company in infrastructural systems, honored Al Azizia Panda United (Panda) as the first company in the Kingdom of Saudi Arabia retail sector to apply international standards in its warehouse infrastructure. The ceremony was attended by Mr. Muwaffaq Mansour Jamal, The CEO of Panda, Mr. Jerry Whellman, CEO of CHEP in the Middle East and Africa, and a number of senior executives from both companies. CHEP bases its company selection on its assessment on property management, innovation, renewal, preservation, integration, and employee expertise.

It is worth noting that Panda has invested in the past few years on numerous infrastructural resources, since it is one of the most important factors in the retail sectors that improves the services offered to customers by Panda Supermarkets and Hyper Panda Markets across the Kingdom, in addition to future infrastructural investments which is a part of Panda strategic expansion plans.

Panda is one of Savola Group's operating companies, and one of the largest retail companies in the Middle East, where the number of its branches in the Kingdom have reached 136 stores, and planning to launch 19 more stores in 2012.



Muwaffaq Jamal
CEO - Azizia Panda
United Co.

Kinan International Co. Wins Award for Best Real Estate Work Environment in the Kingdom



Kinan Co. for Real Estate Development Company (30% owned by The Savola Group) was awarded first rank as the best work environment company in the real estate sector in 2011. The award was presented

by Al Eqtessadiah Newspaper and Team One Consulting. Kinan won this prestigious award following a stiff competition by other real estate companies operating in the Saudi market. Kinan's professional approach in preparing the workplace for employees in addition to its assistance to deliver services were the key reasons for this win.

Eng. Nidal Jamjoom, CEO of Kinan International highlighted that winning first place/rank as the best work environment in the real estate sector is real incentive for the Company and its employees to provide quality services to its customers and continue adopting innovation in a market that is in need for innovative projects. Kinan is in the forefront of this thinking as the Company is implementing a series of real estate projects in the Kingdom including Masharef project in Jeddah which is built on an area of 1 million Sqm, Masharef Hills in Riyadh which will cover an area of over a million Sqm.

It is worth mentioning that Kinan is a closed joint stock company with a share capital of SR 1.7 billion and is one of the leading urban real estate developing companies in the Kingdom.



Eng. Nidal Jamjoom
CEO - Kinan Co.

Savola Continues Updating Share Monitoring System "Transparency Screen"

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



In a move designed to further boost transparency, Savola has continued to update the 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

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



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



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 period (from January to June, 2012).

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.

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



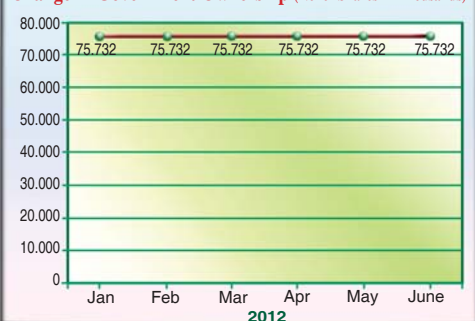
Change in Other Shareholders Ownership (No. of Shares in Thousands)



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



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



The Savola Group Annual Conference Marks “Sustainable Growth” as its Ongoing Theme



Dr. Abdulraouf Mannaa – Managing Director, addresses the conference

The Savola Group held its Annual Conference on Sunday 20 May under the theme “The Sustainable Growth” and celebrated a record year by screening a documentary film highlighting the achievement of One Billion Saudi Riyals operating profit for the fiscal year 2011.



Group's Managing Director and the Executive Team responding to the attendees questions and queries during the Annual Conference – May 2012

“This year our Group's Annual Conference looked back on the momentous achievements of 2011 culminating in a net profit of more than one billion Saudi Riyals generated mainly from operation, which we have commemorated with a film showing how the Group reached this major milestone,” said Dr. Abdulraouf Mannaa, Managing Director of The Savola Group. “What is most important for the future is that this record breaking profit was achieved through sustainable growth in all Sectors, which is the key to The Savola Group's ongoing success across the three core sectors of Food, Packaging and Retail.”

The ceremony began with a welcome note preceding a recital of verses from the Holy Quran, which was followed by the documentary film titled “One Team – One Goal – One Billion”. After the film the CEO of each Sector made a presentation reviewing 2011's achievement and year to date performance of each of the Group's three core sectors.

A short film that showcased the achievements of the Group's main sectors was displayed during the conference,



A Group Photo for the Savola Group Attendees Managers during the Annual Conference – May 2012

ference, followed by a display of operation strategies of each sector, starting with food sector, where Mr. Abderrahim Maaraf, CEO of Savola Foods, introduced the sector's main strategies. Eng. Azhar Kanji, CEO of Savola Plastics Company introduced the strategies of Savola Plastic to become one of the top ten plastic companies in the world. The Company currently operates through nine factories in Jeddah, Riyadh, and Egypt. Finally, Mr. Muwaffaq Jamal, CEO of Panda presented Panda's plans to expand through its supermarket and hypermarket chains which reached 132 branches.

A question and answer session was held giving an opportunity for the attendees to interact with the Managing Director and CEOs which featured transparent interaction and created a sense of openness between the attendees and senior management.

The Savola group invited Dr. Michio Kaku, a scientist who specializes in the field of Theoretical Physics as a guest of the conference to share his experience and expertise in relating business to technology. Kaku interviewed more than 300 renowned scientists in the world and was classified as one of the 100 most intelligent people in the city of New York. Professor Kaku speech addressed the impact of technology on the business world and how it is constantly changing the world we live in.

“Technology is a wave that changes everything, and you could use it to your advantage to increase your profits and activities, or you could just stand still until it attacks you like a tsunami and lose everything,” stated Professor Kaku during his inspiring presentation.

The conference resumed with The Savola Group Managing Director

Award nomination presentations, after which the conference attendees voted electronically to select the winner. After a heated competition, Savola Behshahr cooking oil, one of the companies at Savola Food Sector, won the MD Award, and it was received by Mr. Mamoon Al

Dawood, CEO of Savola Behshahr. Corporate Social Responsibility programs in Savola were showcased by Faten Al Yafi, Senior Executive Director CSR, PR who took the audience through the recent developments of the Makeen Center and its strategic objectives to train and employ 300 persons with disabilities within the Group operating companies and other partners organization in 2012. The presentation featured live examples that describe the life of a person with disabilities and the challenges they face and the importance in giving them the opportunity and providing a suitable environment for this very important segment in this society. The conference ended with a lucky draw segment giving prizes to the attendees after answering key questions on the Group.



Minister of Labor Honors Savola for Sponsoring the Business Ethics Forum

HE Eng Adil Fakieh, Minister of Labor honored The Savola Group for its diamond sponsorship of the Business Ethics Forum that was held recently at the Jeddah Hilton Hotel during June 2012. Accepting the award on behalf of Savola was Mr. Mahmoud Abdul Ghaffar, Chief of Corporate Affairs and Board Secretary. Savola's participation in the Forum reflects the importance of work ethics and values with the Group's various business lines and sectors.

The Savola Group Presents Its Experience in CSR and Building Ethics and Values: The Savola Group, represented by Mrs. Faten Al Yafi, Senior Executive Director of CSR and PR in The Savola Group presented a paper titled "Transparency, Responsibility and Ethics" underscoring the importance of corporate social responsibility within the Group by activating a series of ethics and values which have enabled Savola to create a strong internal culture and a distinctive way of doing business.

Savola Group adopts a sound ethical framework including some core values: Honesty (Amanah) which is the company's responsibility towards shareholders. Secondly, Conscientiousness (Taqla) which is the responsibility towards community. Thirdly, Caring justice (Birr) which the company's responsibility towards colleagues and employees. Finally, Personal control (Mujahadah) which is the company's responsibility towards self-improvements and the aspiration to realize full potential.

Azizia Panda Celebrates the Mass Wedding of 1200 Young Couples in Saudi Arabia

HRH Prince Mishal bin Majed, The Governor of Jeddah Region, inaugurated the 14th wedding ceremony for the charitable organization to help young people get married in Jeddah. During the ceremony, Prince Mishal honored Azizia Panda Co. for sponsoring and supporting the mass wedding ceremony of 1200 young couples.

On this occasion, Mr. Muwaffaq Mansour Jamal, CEO of Panda, stressed that the company is interested in such events, especially since it's an important part of society and he also informed that the company has participated this year by giving shopping vouchers to all the newly wed couples to celebrate this special occasion. It is worth mentioning that HRH Prince Mishal presented an honorary plaque to Mr. Tarek Mohammed Ismail, Head of Public Relations and Social Responsibilities at Azizia Panda United.



Prince Mishal bin Majed Delivers Honoring Plaque to Mr. Tarek Ismail Who Represents Panda in this occasion



Azizia Panda Launches "Panda Charity Caravan for the 12th Consecutive Year"

As part of its annual tradition, Al Aziziya Panda (one of Savola Group subsidiaries) launched its "Panda Charity Caravan" for the 12th consecutive year which aims at supplying Ramadan supplies to needy families by directly visiting families or through charity organizations across the Kingdom. This comes as a step to engage with this segment of the community and provide support during the Holy Month.

During these visits, Mr. Muwaffaq Mansour Jamal, CEO of Panda; Mr. Tariq Isamil, PR and CSR Manager at Panda; Eng. Mazen Batterje, Chairman of Al Bir Society; and Mr. Issam Abu Zinada, Chairman of Ehsan Charity distributed Panda's coupons/vouchers to the beneficiaries or the needy families.

Savola Supports Jeddah Autism Center and Conduct a workshop on Buddy & Mentor

Savola Group continues to build beneficial partnerships through establishing strong bonds with leading social institutes in the local community, such as AlFaisly Women Welfare Society which one of its projects is Jeddah Autism Center. Makeen Center has arranged for "Savola a Friend of Autism" day, as a way to demonstrate the Groups commitment to disability through its social responsibility initiatives. The event was hosted in Jeddah Autism Center during May 2012 to celebrate the donation of the Group to fund the education of 10 students for a full scholastic year. The event was attended by Mr. Mahmoud Mansour Abdul Ghaffar, and by other Savola executives and employees. Mrs. Amal Sheikh, Director of the Center, has welcomed the attendees



Jeddah Autism Center

and thanked the Savola Group for the generous donation and support to the center's activities. And from their side, the sponsored students extended their warm appreciation to the Savola Group for the support to help them to pass through their education.

Makeen Center Organizes Buddy & Mentor Awareness Workshop:

Makeen Center has organized a Buddy & Mentor Awareness Workshop in the Savola HQ, titled: "The Concept & Implementation of the Mentor & Buddy System to Merge People with Disability at Workplaces". The workshop was attended by number of management trainees. Currently, Makeen Center is working to organize for another six awareness sessions to be run by Makeen certified trainers. These sessions will be throughout the second half of 2012 and will be applied within Savola operating companies; (Azizia Panda United, Savola Foods and Savola Packaging System) as a necessary step to promote the culture of integration of employees with disabilities in the organizations.

Savola Group Responds To King Abdullah's Request To Support Syrian People By Providing in Kind Support From Its Food Products

Managing Director Dr. Mannaa: "Our contribution to the campaign is part of our corporate social responsibility."

In response to the request of The Custodian of the Two Holy Mosques – may Allah strengthen him - to launch a national campaign to raise funds in support of our fellow brothers and sisters in Syria due to the difficult conditions they are currently experiencing, Savola Group is participating by donating SR 2 million in kind, including one million riyals worth of edible oils and sugar products, which produced by its subsidiary "Savola Foods Company", and one million riyals worth of Panda brand food products from its subsidiary company "Al-Azizia Panda United".



Commenting on the contribution, Dr. Abdulraouf Mohammed Mannaa, Managing Director of The Savola Group, said: "Our participation in the King's national appeal is in respect of the principle of social responsibility adopted by The Savola Group as a national company in accordance with Savola's ethics and values. The donation is a true reflection of the Savola ethics and values, which aims to

enhance the meaning of brotherhood and solidarity in Islam by demonstrating compassion and empathy by providing aid in times of need."

Dr. Mannaa went on to emphasize the importance of participating in this blessed campaign and called on other national companies to participate by providing cash and in kind support to the organization responsible for delivering donations to the people of Syria.

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