

النساجون الشرقيون
Oriental Weavers

4Q 2015 | INVESTOR PRESENTATION

Facts & Figures



النساجون الشرقيون
Oriental Weavers



النساجون الشرقيون
Oriental Weavers

Latest updates



13

Manufacturing new
looms added



9

New Showrooms
opened in Egypt in
2015



Targeting

New markets & new clients



النساجون الشرقيون
Oriental Weavers

A Vertically - Integrated Model

Controlling supply chain enables greater cost control and production flexibility.

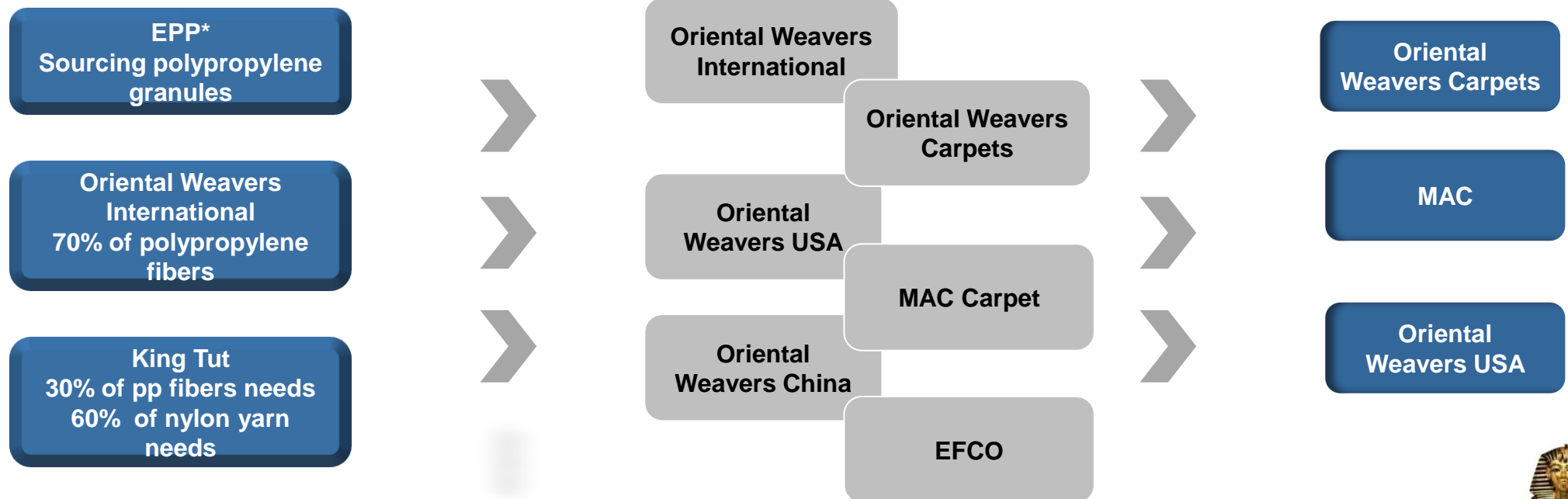
From sourcing polypropylene granules, converting them into fibers, spinning and dyeing yarn, to weaving, distributing and delivering the end product.

Our domestic retail outlets, our dedicated distribution arm, OW USA (Sphinx), and various warehousing facilities in the US, Germany ,in addition to Canada which support our local and international leadership.

Raw Materials

Production

Distribution

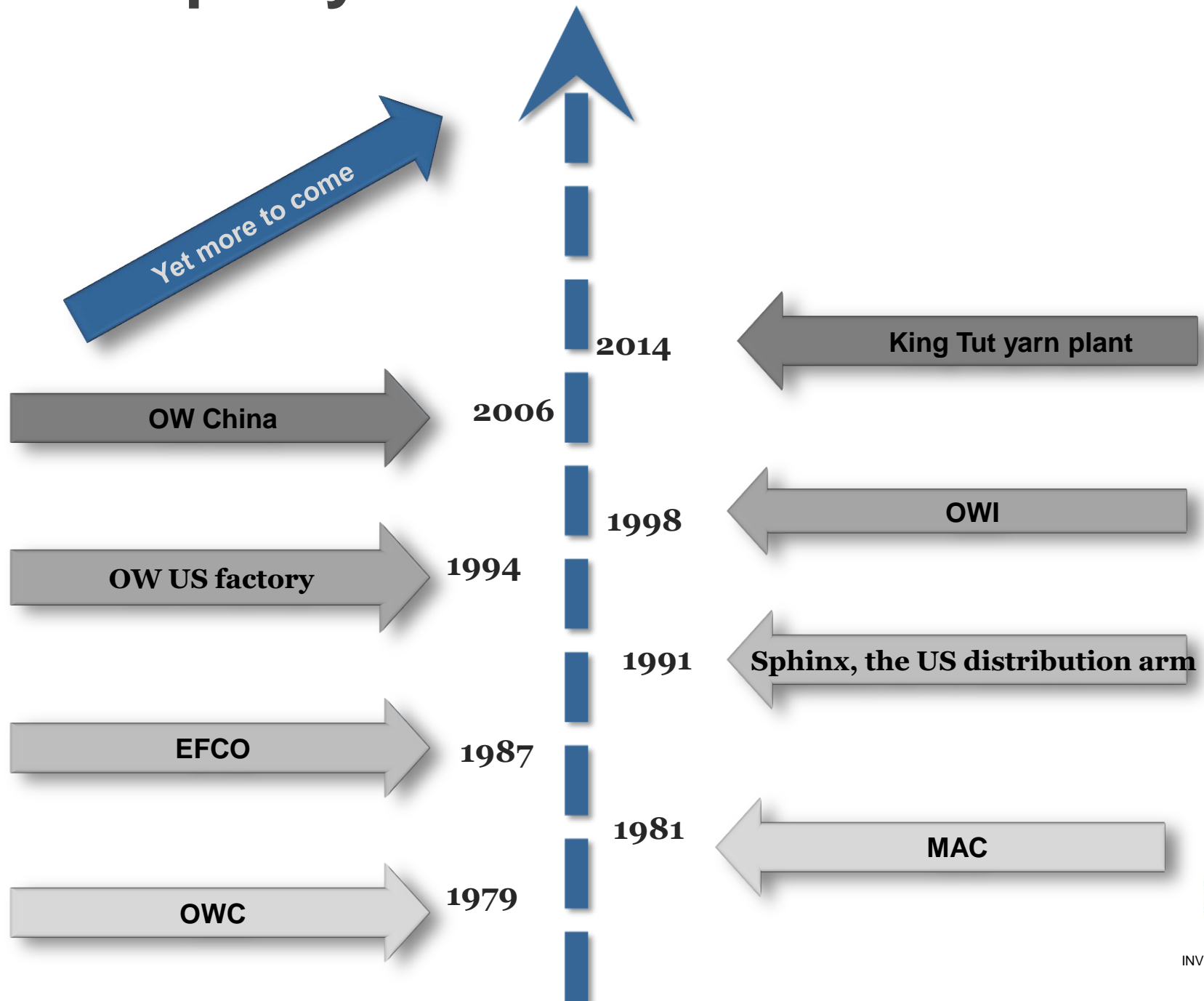


* The founder of OW established EPP in 2006. It is not part of OW.



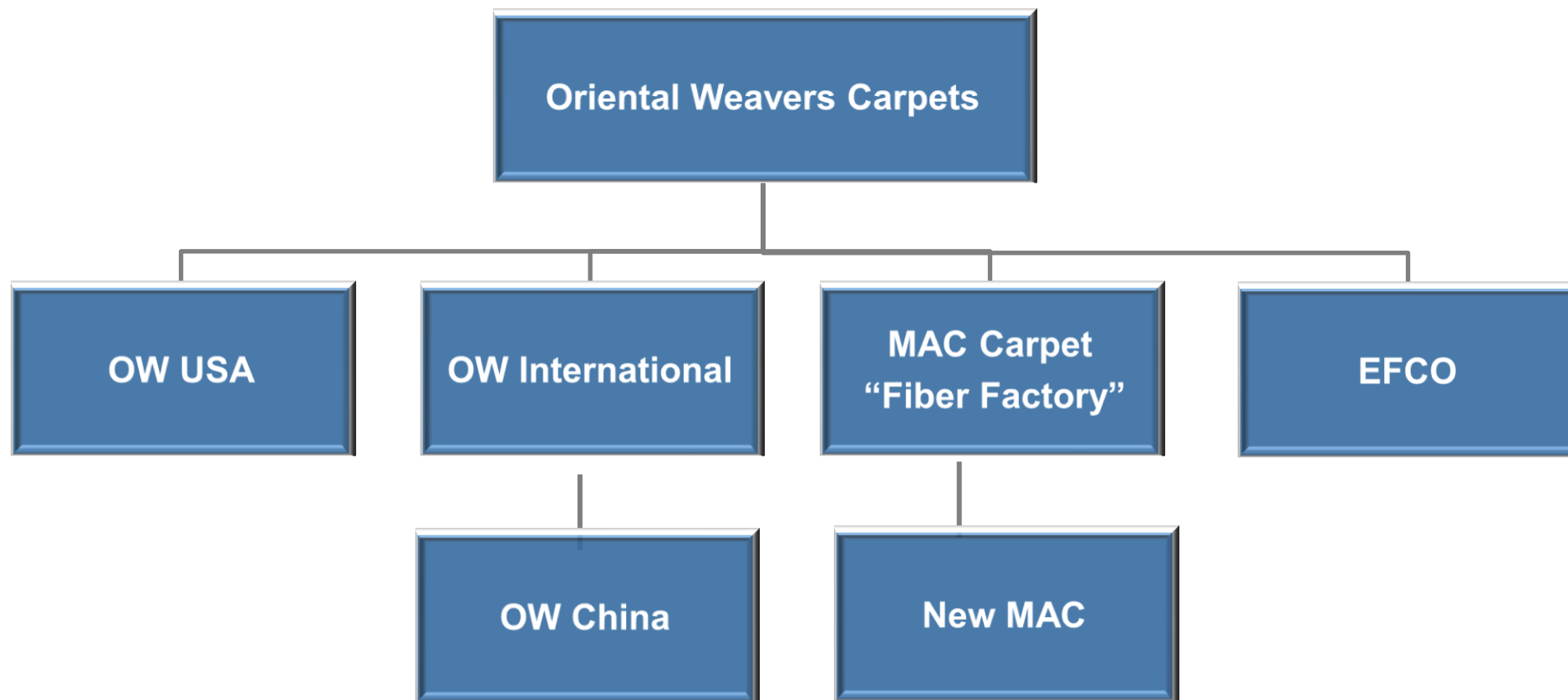
النساجون الشرقيون
Oriental Weavers

OW Group key milestones



النساجون الشرقيون
Oriental Weavers
النساجون الشرقيون
Oriental Weavers

OW Group's structure



Revenue Contribution of Main Markets



النساجون الشرقيون
Oriental Weavers

OW: A large player in the Egyptian market

- Capturing a strong market share in the local market.
- Sells directly through a network of 230 showrooms.
- 80k sqm of retail and wholesale selling area.



النساجون الشرقيون
Oriental Weavers

OW's long standing position in the US

- Secured partnership agreements with Tommy Bahama, Pantone and Roger Thomas.
- America's most magnificent rug award in Atlanta Floor covering exhibition.
- Opened corporate showrooms in 2012 in Fifth Avenue, New York and Las Vegas
- Growing online business with Target, Kohl's, Amazon, and Wayfair in addition to more focused sites such as Rugsdirect.com and rugsusa.com
- Oriental Weavers covered 35% of Canadian rug imports in 2015k



النساجون الشرقيون
Oriental Weavers

American & Canadian Retail Partners

Relationships count – Oriental Weavers’ enduring relationships with the world’s best retailers, clients, resorts and other lifestyle centers ensure continued market leadership.



International Premier Partners





Expansions



النساجون الشرقيون
Oriental Weavers

Recent and Future Expansions

2015

- OW raised its capacity by 7% via adding 13 new looms (7mn sqm).
- MAC penetrated the artificial turf segment following the addition of two new machines.

2016-2020

- Plan to add 25-30% of additional woven capacity by 2020 through an additional total of 20 looms (pending market conditions).
- Plan to add new yarn machinery to ensure production self sufficiency.



Premier Partners: Hospitality Segment

OW Hospitality, the London-based hospitality carpeting arm of Oriental Weavers Group — which manufactures broadloom carpets for luxury hotels worldwide — is the preferred supplier for Four Seasons and several other major players in the hospitality sector.



النساجون الشرقيون
Oriental Weavers



OW Hospitality: Recently Completed Projects

JW Marriott Grosvenor House, London, UK



Marriott Richmond, Virginia



Intercontinental New Orleans, LA



Among a long list of projects:

- Movenpick Accra, Ghana
- Movenpick Anwar Al Madina
- Movenpick Beirut, Lebanon
- Movenpick Makkah, KSA
- Park Hyatt, Sochi, Russia
- Ramada Hotel Dubai - Guestroom
- Renaissance Hotel, Kiev, Ukraine
- Ritz Carlton Cairo
- Ritz Carlton Dubai - Corridors



النساجون الشرقيون
Oriental Weavers



OW launched an exclusive partnership agreement with Pantone, most well known in the world of interior designs. OW has 2016 Pantone color of the year rug ready to ship.

Financial and Operational Performance



النساجون الشرقيون
Oriental Weavers

Consistent Growth in a Cyclical Industry

2015 financial Summary

Net sales
(EGP bn)

5.9

+1% growth y-o-y

EBITDA
(EGP mn)

803

-2% y-o-y

Net Profit
(EGP mn)

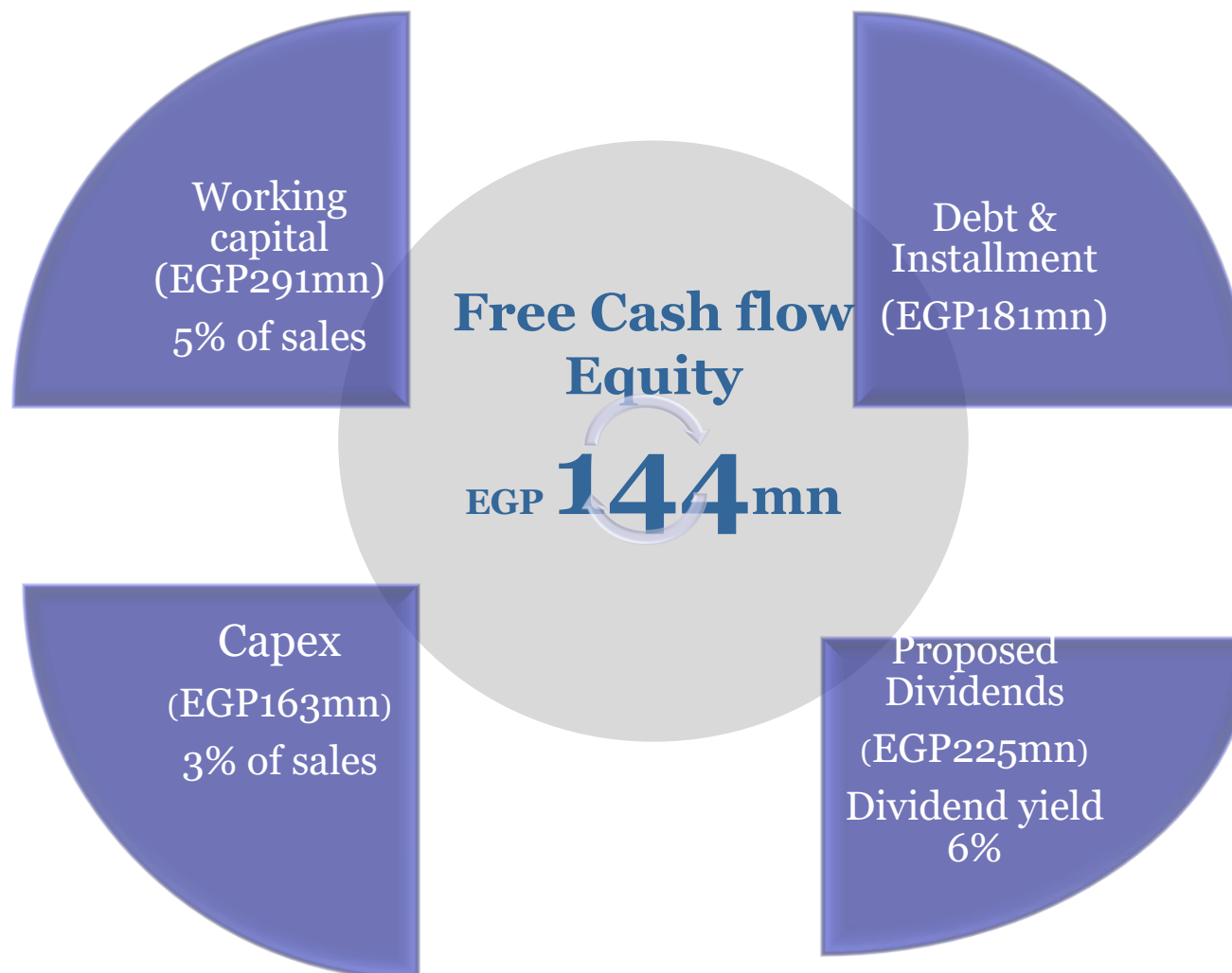
356

-6% y-o-y

EBITDA Margin

13.7%

-30 bps y-o-y

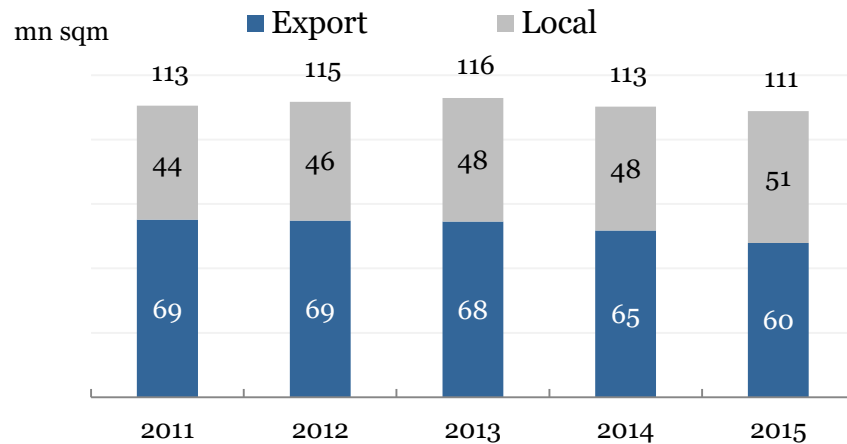


النساجون الشرقيون
Oriental Weavers

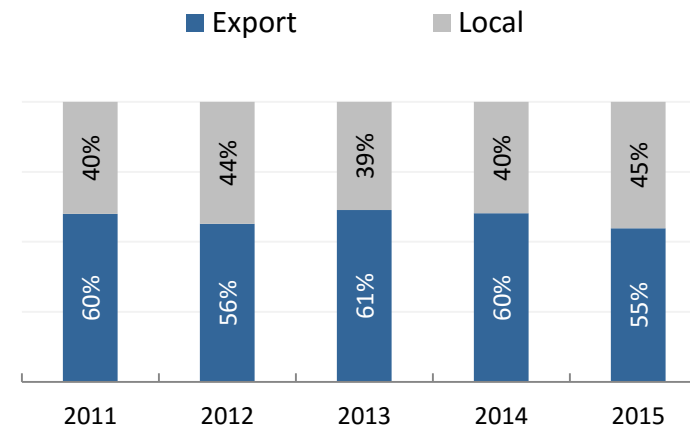
* On adjusted basis including sales of the merged Modern EFCO

Financial Summary

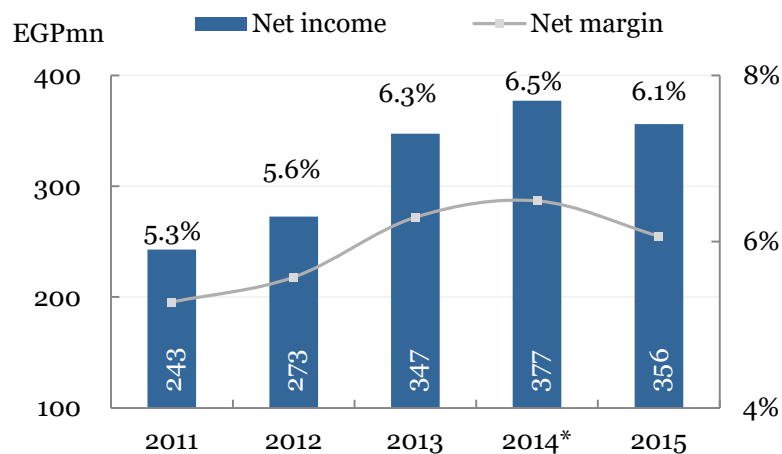
Sales Volumes (mn sqm)



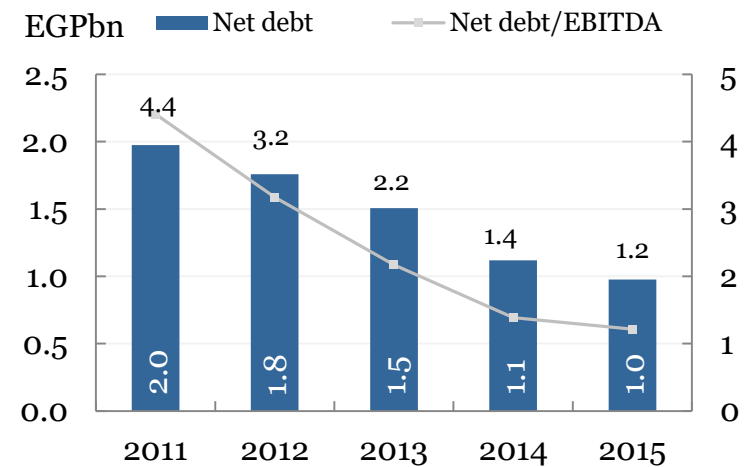
Export vs. Local Revenue Contribution



Net Income (EGPmn)



Net Debt (EGPbn)



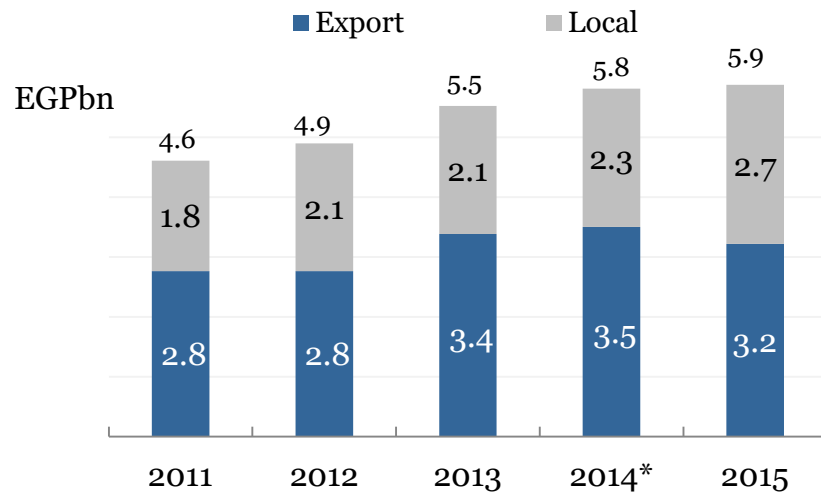
* On adjusted basis including sales of the merged Modern EFCO



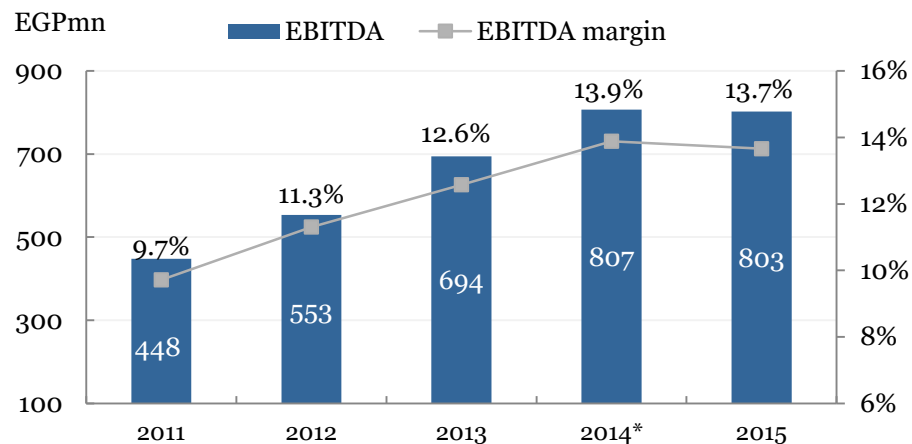
النساجون الشرقيون
Oriental Weavers

Financial overview

Growing revenue base (EGPbn)



Recovering EBITDA margin



Balance Sheet (EGPmn)

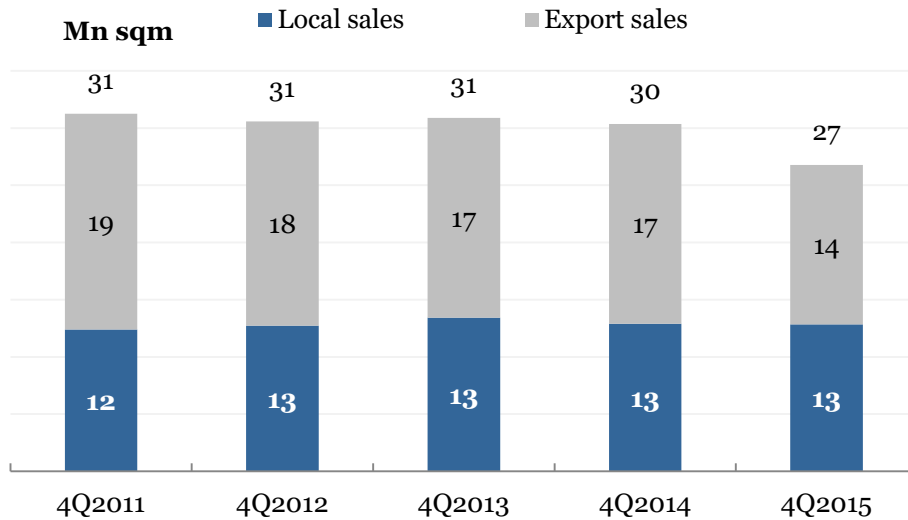
December 31, 2015

Cash	370	Short term debt	1,153
T-Bills	177		
Current Assets	3,613	Current liabilities	2,448
Fixed Assets	2,687	LT liabilities	270
Others	618.6	Equity	3,990
Total Assets	6,708	Total Liabilities & Owners' equity	6,708

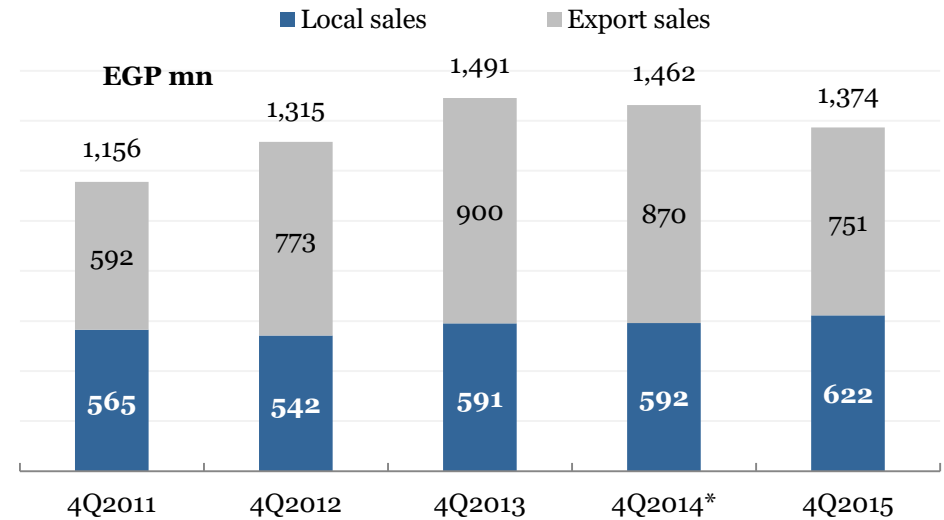
* On adjusted basis including sales of the merged Modern EFCO

4Q2015 Financial summary

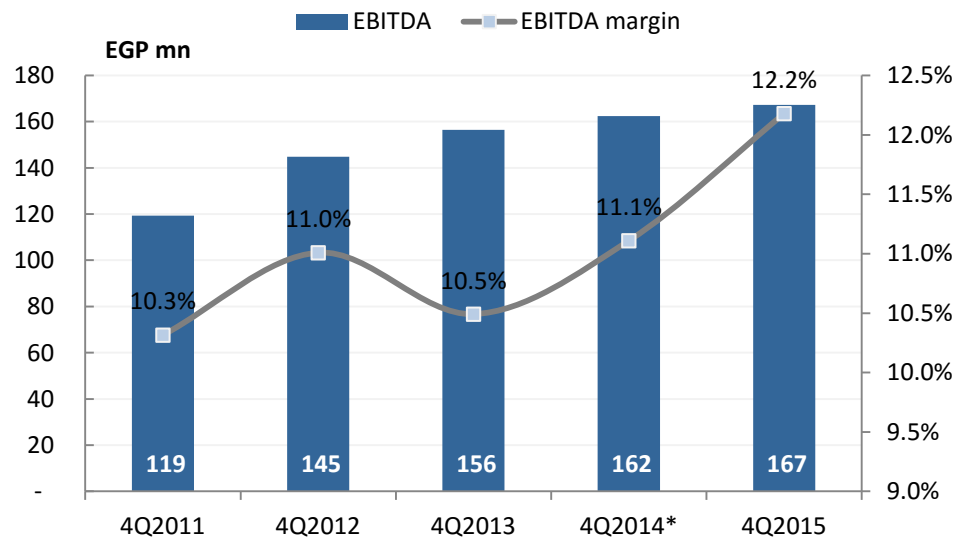
4Q sales volume performance



4Q sales volume performance



4Q EBITDA performance



النساجون الشرقيون
Oriental Weavers

Cost Structure: Polypropylene

Polypropylene is the main raw material for Oriental Weavers with its prices trending down .

Cost efficiency is on management's top priority. Accordingly, sourcing of polypropylene granules is carefully executed after receiving monthly price quotations from different suppliers, taking into account other cost factors associated with importing the granules.

Thus sourcing from EPP — a local supplier helps in achieving the following:

- Reducing stocking period from 4 months to only 1-2 months
- Lowering transportation expenses
- Lowering finance charges
- Secured supply

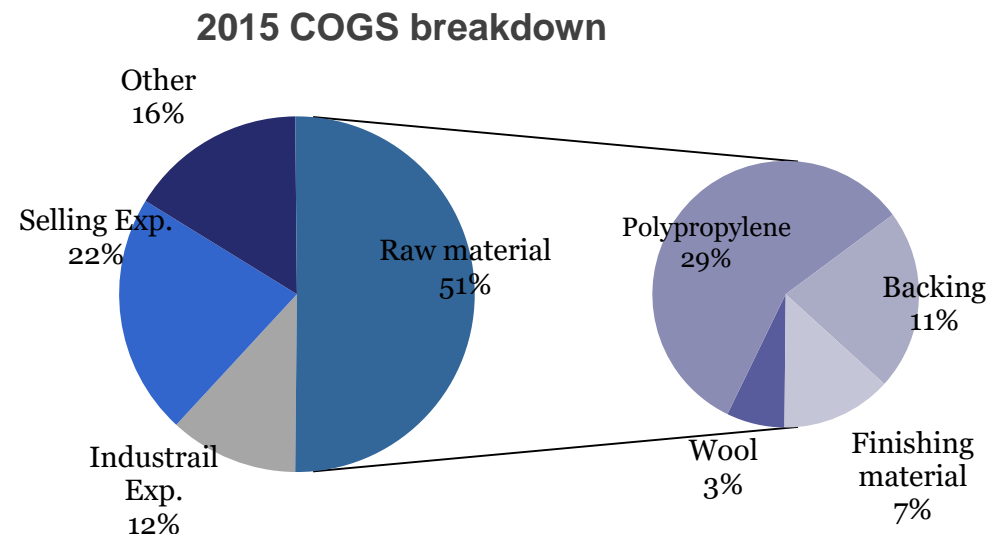
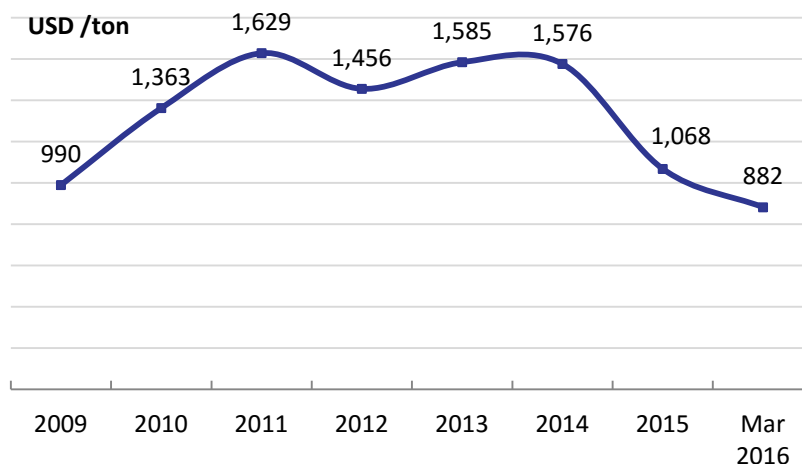
This model offers significant competitive strength in the global carpet and rugs industry.

Polypropylene — used in synthetic and blended rugs and carpets — is an oil derivative and is particularly significant cost variable, representing around 29% of total costs incurred in 2015

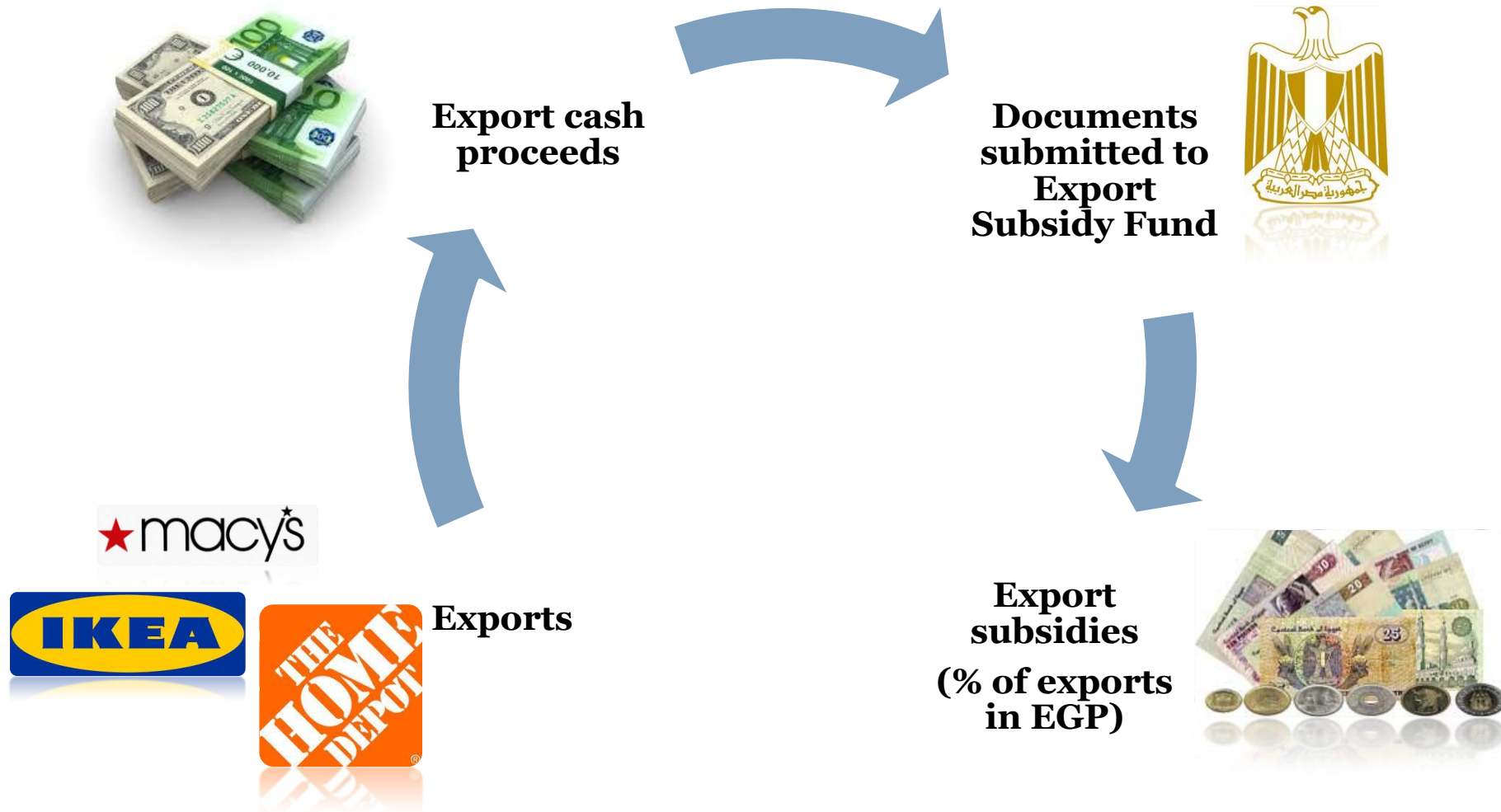
Polypropylene prices are driven in large part by:

- Petroleum prices
- Market demand for polypropylene

PP prices (in \$/ Metric Tons)



Export Incentive Program



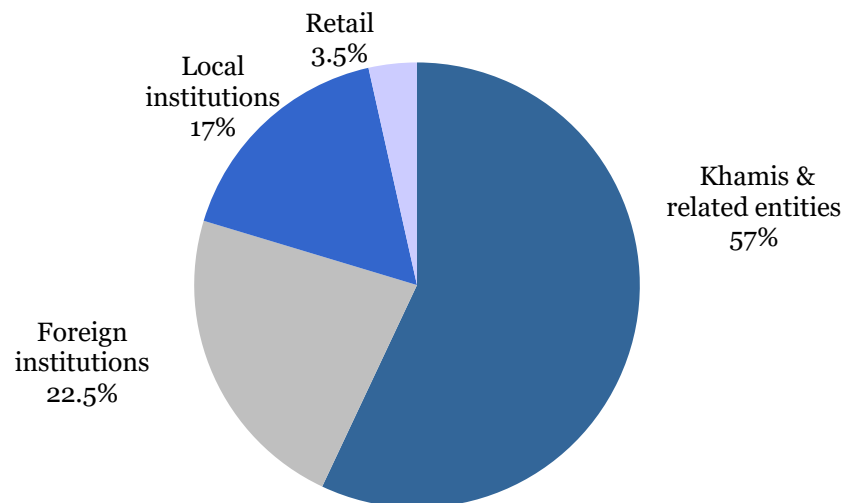
Sources: Company

Share Fact Sheet

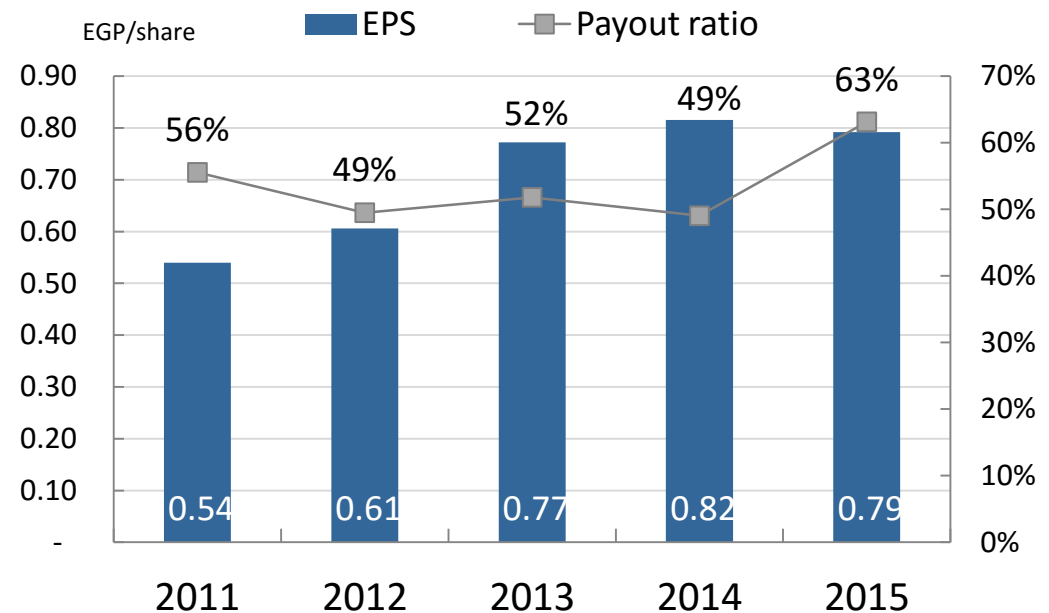
Stock Data

450 mn shares at par value of 1 EGP per share
 Listed on EGX September 1997
 6 Month average daily value USD0.5mn
 Market Cap USD364mn (as April 4, 2016)
 DPS of EGP0.5 approved in AGM
 Issued and Paid up Capital 450 MN EGP
 Reuters; Bloomberg ORWE.CA; ORWE EY

Shareholders' structure

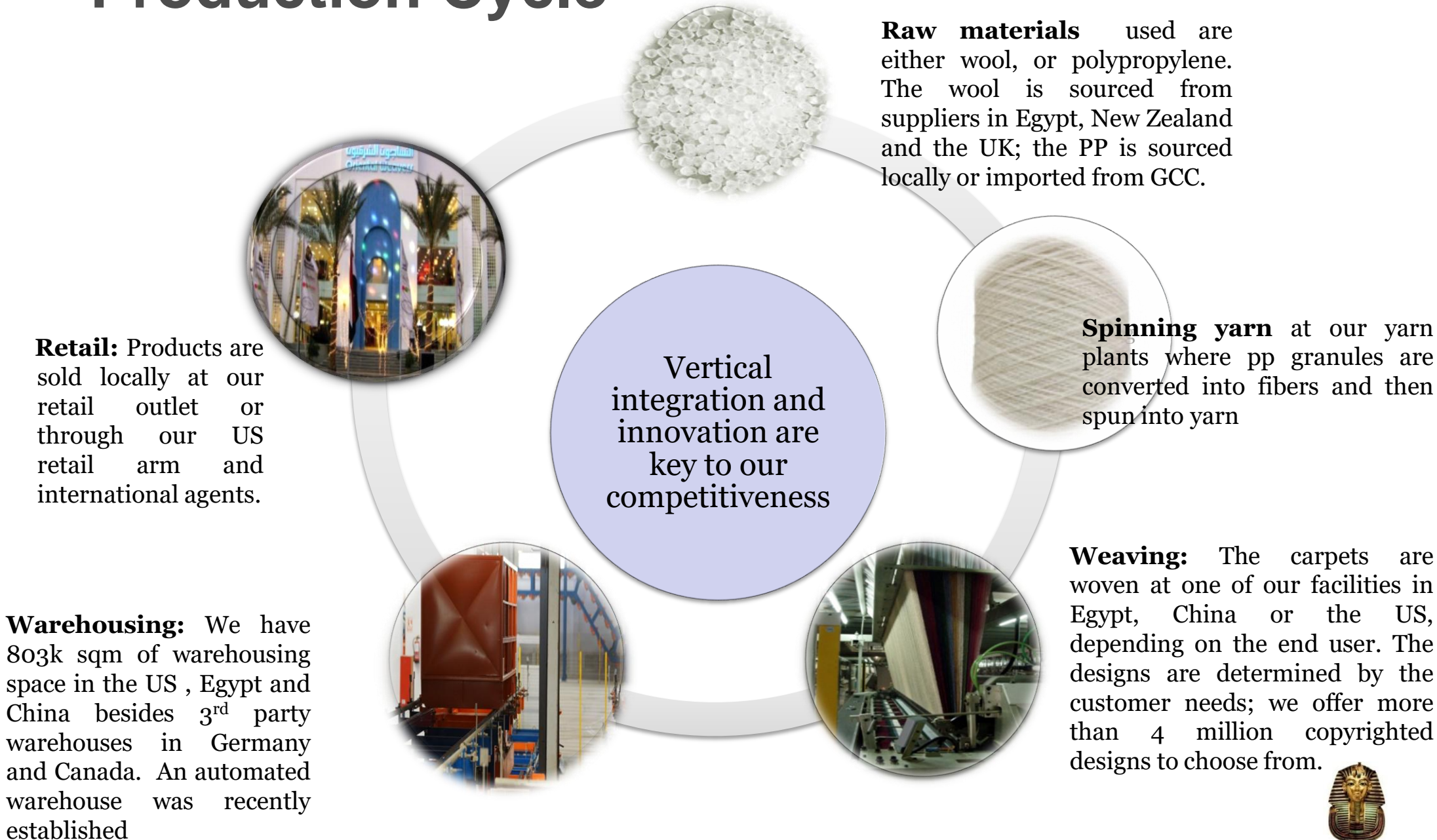


Earnings Per Share & payout ratio



النساجون الشرقيون
 Oriental Weavers

Production Cycle



النساجون الشرقيون
Oriental Weavers

Disclaimer

Certain information contained in this document consists of forward-looking statements reflecting the current view of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including worldwide economic trends, the economic and political

climate of Egypt and the Middle East and changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in such forward-looking statements. Recipients of this document are cautioned not to place any reliance on these forward-looking statements. The Company undertakes no obligation to republish revised forward-looking statements to reflect changed events or circumstances.



النساجون الشرقيون
Oriental Weavers



النساجون الشرقيون Oriental Weavers

For More Information:

Ingy Eldiwany

Investor Relations Manager



+202-22685166



ieldiwany@orientalweavers.com



www.orientalweavers.com



النساجون الشرقيون
Oriental Weavers