



## **STRAUSS GROUP REPORTS ITS SECOND QUARTER & FIRST HALF 2011 RESULTS AND REPORTS SALES GROWTH WITH PROFIT AND MARGIN EROSION**

### **STRAUSS GROUP CONTINUES INVESTMENT IN GLOBAL EXPANSION, FIRST HALF SALES TOTAL NIS 3.6 B, UP 10.3% OPERATING AND NET PROFITS ERODING FOLLOWING THE CONTINUED INCREASE IN INPUT COSTS**

**Tel Aviv, Israel, August 17, 2011** – The Strauss Group (STRS.TA) today reported its results for the second quarter and first half of 2011.

Ofra Strauss, Chairperson of Strauss Group, said today "Strauss Group is dealing with complex challenges in Israel and abroad due to the volatility of global markets as characterized by sharp increases in raw material and manufacturing prices . Strauss has taken significant steps to absorb part of these cost increases.

Israel is currently in the throes of a public protest over the issue of the high cost of living. We are aware of the importance of this protest and understand that we have an obligation and responsibility to adjust our actions accordingly and in such a way as to try and meet the capabilities of consumers. These adjustments require an orderly evaluation and we are prepared to do our part along with government, retailers, manufacturers and farmers to find solutions to this problem. Strauss continues, however, to invest in developing advanced technologies and innovations in our areas of activity"

Gadi Lesin, President & CEO of Strauss Group, said today: "Strauss Group reports 16.6% sales growth in the second quarter, which is evident for all activities and geographies. Israel, the Group's home base, continues to have volume and value growth and we are continuing to invest in developing innovative products and solutions.

While sales continued to grow, operating and net profit eroded following the sharp increases in raw material and energy prices. The Group is preparing a plan that will allow Strauss to face the changes taking place in the food market with sensitivity and attention to consumer protests over the issue of food prices".

"This quarter Strauss began selling Strauss Water products in China following the establishment of the JV with Haier Group and we completed the integration of acquisitions done in North America via Sabra and Strauss Coffee. We also announced the acquisition of the coffee brands Fino Grao in Brazil and Ambassador in Russia. In addition, we announced an expansion of our partnership with PepsiCo and the establishment of a global fresh food company. "



### SECOND QUARTER FINANCIAL HIGHLIGHTS<sup>1</sup>:

- Sales totaled NIS 1.84 billion (NIS 1.58 billion last year), up. 16.6%; Organic sales growth net of exchange rates effect totaled 16.4%.
- Gross profit totaled NIS 651 million (35.3% of sales), compared to NIS 626 million last year (39.6% of sales), up 4.0%.
- Operating profit totaled NIS 125 million (6.8% of sales), compared to NIS 137 million last year (8.7% of sales), down 8.8%.
- Net profit to shareholders totaled NIS 39 million, compared to NIS 63 million last year, down 36.4%.

### FIRST HALF FINANCIAL HIGHLIGHTS<sup>2</sup>:

- Sales totaled NIS 3.61 billion (NIS 3.27 billion last year), up. 10.3%; Organic sales growth net of exchange rates effect totaled 9.0%.
- Gross profit totaled NIS 1.33 billion (36.7% of sales), compared to NIS 1.30 billion last year (39.6% of sales), up 2.3%.
- Operating profit totaled NIS 279 million (7.7% of sales), compared to NIS 318 million last year (9.7% of sales), down 12.3%.
- Net profit to shareholders totaled NIS 109 million, compared to NIS 155 million last year, down 29.6%.

MAIN PRO-FORMA DATA (in NIS million):

	<i>First Half</i>			<i>Second Quarter</i>		
	2011	2010	% Chg	2011	2010	% Chg
Sales	3,614	3,276	10.3	1,841	1,580	16.6
Gross Profit	1,329	1,299	2.3	649	615	5.4
Operating Profit (1)	279	318	(12.3)	125	137	(8.8)
Profit for the Period	150	205	(26.7)	58	89	(34.7)
Net Profit (2)	109	155	(29.6)	39	63	(36.4)

(1) Before other income (expenses)

(2) Attributed to the shareholders of the Company

### HOME BASE

Strauss Group is the second-largest company in the Israeli food industry and in the first half of 2011, according to StoreNext, held 11.4% of the domestic retail food and beverage market (on a six-monthly average, in financial terms). The Israeli market is the Group's home market, in which it is active in various categories. The sales for the entire business of Strauss Group in Israel include the Health & Wellness and

<sup>1,2</sup> Second quarter and First Half figures are pro-forma neutralizing the employees options , hedging transactions, non-recurring other income and expenses



Fun & Indulgence Divisions, the coffee business in Israel, Max Brenner in Israel and Strauss Water Israel (Tami4).

In the first half, Israel sales totaled NIS 1,963 million compared to NIS 1,817 million in the corresponding period last year, an increase of 8.0%. In the second quarter the Group's total sales in Israel amounted to NIS 947 million compared to NIS 848 million last year, an increase of 11.7%.

Growth in the first half and in the second quarter was evident in all business divisions, Health & Wellness, Fun & Indulgence, Strauss Water Israel and Israel Coffee.

## **THE COFFEE SECTOR**

In the global coffee business the Group develops, manufactures, markets and sells branded coffee products in Israel and in various emerging markets; Central and Eastern Europe and Brazil. This business area comprises two segments of activity – Israel Coffee and International Coffee.

Sales by Strauss's coffee business in the first half of 2011 totaled NIS 1,755 million compared to NIS 1,597 million in the corresponding period last year, an increase of 9.9%. After neutralizing the impact of currency exchange rates, growth amounted to 9.4%. Organic growth in the first half of 2011 (after neutralizing the acquisition of businesses and the impact of exchange rate differentials) amounted to 8.2%.

Coffee sales were positively influenced by the strong growth in activity in Russia, Brazil and Israel, but were negatively influenced by the weakness in some of the markets in Eastern Europe, by changes in the exchange rates of the various operating currencies, by the sharp rise in raw material prices coupled with the difficulty of raising prices in the prevailing macroeconomic conditions in some of the countries, and by the growing competition.

Sales by Strauss's coffee business in the second quarter of 2011 totaled NIS 924 million compared to NIS 770 million in the corresponding period last year, a strong growth of 20.1%. After neutralizing the impact of currency exchange rates, growth amounted to 18.7%. Organic growth (after neutralizing the acquisition of businesses and the impact of exchange rate differentials) amounted to 17.0%. In the second quarter growth in most of the regions was strong, especially in Russia, Brazil and Israel. The Coffee Company continues to invest in expansion, and after the reported period announced acquisitions in Russia and in Brazil.

### Gross Profit

In the first half, gross profit totaled NIS 547 million (31.2% of sales) compared to NIS 553 million (34.6%) last year, a decrease of 0.9%. Gross profit in the second quarter amounted to NIS 269 million (29.1% of sales) compared to NIS 255 million (33.1% of sales) last year, an increase of 5.8%.

The decrease in gross profit in the first half is the result of the sharp rise in raw material prices and the difficulty in transferring the entire increase in these prices to the consumer.

### Operating Profit

In the first half of the year, the operating profit for the coffee business totaled NIS 119 million (6.8% of sales) compared to NIS 141 million (8.8% of sales) last year, a decrease of 15.5%. In the second quarter the operating profit amounted to NIS 52 million (5.6% of sales) compared to NIS 63 million (8.2% of sales) last year, a decrease of 17.3%.



The decrease in the operating profit in the period was influenced mainly by the decrease in the gross profit.

## **THE ISRAEL SECTOR**

### Sales

The Company in Israel concluded a half of growth in sales coupled with an increase in the operating profit. Sales by the Israel area of activity in the first half totaled NIS 1,411 million compared to NIS 1,324 million in the corresponding period last year, an increase of 6.5%. Growth was expressed in the sales of both units, Health & Wellness and Fun & Indulgence, growth was affected mainly by the 4.9% increase in total volume..

In the second quarter sales by the Israel area of activity amounted to NIS 683 million compared to NIS 627 million last year, an increase of 8.9%, growth was affected mainly by the 5.5% increase in total volume.

According to StoreNext figures, in the first half of 2011 the Israeli food market grew by 6.7% in financial terms. Strauss Group succeeded in strengthening its competitive position in Israel in the period, mainly thanks to the continuing investment in its brands, innovation and marketing moves.

The gross profit in the business in Israel totaled NIS 568 million in the first half (40.3% of sales) compared to NIS 560 million in the corresponding period last year (42.3% of sales), an increase of 1.4%. The gross profit was positively influenced by the growth in sales, and was negatively influenced by the increase in the prices of most raw materials and energy.

The gross profit in the second quarter amounted to NIS 266 million (38.9% of sales) compared to NIS 269 million in the corresponding quarter last year (42.9% of sales), a decrease of 0.8%. The gross profit was positively influenced by the growth in sales, and was negatively influenced by the increase in the prices of most raw materials and energy.

In the first half, the operating profit in Israel amounted to NIS 158 million compared to NIS 156 million in the corresponding period last year, an increase of 1.4%, with a slight erosion in the operating profit rate, down from 11.8% last year to 11.2% this year.

In the second quarter, the operating profit in Israel amounted to NIS 68 million compared to NIS 67 million last year, an increase of 1.7%, with erosion in the operating profit rate, down from 10.7% last year to 10.0% in the second quarter this year.

## **THE INTERNATIONAL DIPS SECTOR (PRESENTLY EXECUTED BY SABRA DIPPING COMPANY)**

In this activity the Group develops, manufactures, sells, markets and distributes hummus and refrigerated Mediterranean salads throughout North America, presently through the Sabra Dipping Company. Sabra is jointly controlled by the Group and PepsiCo (each party holds 50%). Sabra's activity has been proportionately consolidated (50%) since the closing of the transaction with PepsiCo, beginning in 2008. This area of activity includes the expenses of Strauss North America's head office.

In the first half Sabra's sales continued to grow, as did its market share, and it maintained a leading position in the refrigerated flavored spreads category. In the quarter, Sabra's market share reached 53%.

Sales – In the first half Sabra's sales totaled NIS 373 million compared to NIS 269 million last year, an increase of 38.4%. After neutralizing the currency impact, growth amounted to 48.4%. Organic growth excluding the currency impact was 24.1%. In the second quarter Sabra's sales amounted to NIS 201 million compared to NIS 142 million last year, an increase of 41.0%. After neutralizing the currency impact, growth amounted to 55.1%. Organic growth, excluding the currency impact, amounted to 32.0%.



The operating profit in the first half totaled NIS 30 million (7.9% of sales) compared to NIS 33 million in the corresponding period last year (12.1%), a decrease of 9.6%. The decrease in the operating profit is the result of the simultaneous operation of two production sites. In the second quarter, the operating profit amounted to NIS 20 million (10.1% of sales) compared to NIS 12 million last year (8.8%), an increase of 62.6%.

## **STRAUSS WATER**

Strauss Water engages in the development, manufacture and marketing of systems for the purification, filtration, heating and cooling of drinking water for the home market and away-from-home consumption, on the basis of a long-term commitment to its customers. Strauss Water developed the Maze technology, a breakthrough in the purification and treatment of water. Strauss Water is presently active in Israel (through the Tami4 brand) and in the UK (through the T6 brand). In the second quarter the Company launched the water business in China (through the Strauss-Haier brand) further to the establishment of the joint venture in home water solutions in that country between Strauss Water and the Haier Group, the Chinese home electronic appliances giant. In the first stage the products were launched in three cities – Beijing, Shanghai and Qingdao. In the second stage, the products will also be marketed in Shenzhen and Guangzhou.

Strauss Water's sales continue to grow, and in the first half totaled NIS 199 million compared to NIS 171 million in the corresponding period last year, an increase of 16.2%. In the second quarter sales amounted to NIS 100 million compared to NIS 88 million last year, an increase of 13.2%.

Strauss Water plans to expand into additional geographic regions in the future, while continuing to develop innovative technologies for the purification and treatment of water, long-term commitment to its customers, and caring for people, water and the environment.

## **MAX BRENNER**

In the first half Max Brenner's sales totaled NIS 63 million compared to NIS 49 million last year, an increase of 28.6%; after neutralizing the impact of the erosion of the Dollar in relation to the Shekel, sales in the half increased by 32.9%. In the second quarter Max Brenner's sales amounted to NIS 33 million compared to NIS 23 million in the corresponding quarter last year, an increase of 43.5%. After neutralizing the impact of the erosion of the Dollar versus the Shekel, sales in the quarter grew by 50.5%.

As at the date of this report, 37 Max Brenner Chocolate Bars are in operation around the world: 6 in Israel, 4 in the US, 2 in the Philippines, 1 in Singapore and 24 in Australia. Eight branches are owned by the Company, and all other branches are operated under franchise.

The Company continues to invest in the development of core infrastructure for the Max Brenner business in Israel and abroad.

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## **FINANCIAL RESULTS:**

The Group's sales in the first half of 2011 amounted to NIS 3,614 million compared to NIS 3,276 million in the corresponding period last year, an increase of 10.3%. After neutralizing the currency impact, growth amounted to 10.5%. Organic growth after neutralizing the impact of changes in exchange rates in the half amounted to 9.0%. Growth was evident in all activities of the Company, mainly the activity in Israel, which grew by 7.4% in the half; in the coffee business, which grew by 9.9%; in Sabra's activity in North America, where growth amounted to 38.4%; and in the water business, which grew by 16.2% in the half.

The Group's sales in the second quarter amounted to NIS 1,841 million compared to NIS 1,580 million in the corresponding period last year, an increase of 16.6%. After neutralizing the currency impact, growth amounted to 16.4%. Organic growth after neutralizing the impact of changes in exchange rates in the second quarter amounted to 14.8%. Growth in the quarter was evident in all activities – the global coffee business, which grew by 9.5%; the activity in Israel, which grew by 11.6%; in Sabra's activity in North America, where growth amounted to 40.8%; and in the water business, which grew by 13.2% in the second quarter.

### **Gross Profit**

The financial accounting gross profit in the first half amounted to NIS 1,315 million compared to NIS 1,309 million in the corresponding period last year; the gross profit rate dropped from 39.9% last year to 36.4% this year. The pro-forma gross profit increased in the half by 2.3% and amounted to NIS 1,329 million compared to NIS 1,299 million last year; its percentage dropped from 39.6% to 36.8%.

In the second quarter the financial accounting gross profit increased by 4.0% and amounted to NIS 651 million compared to NIS 626 million in the corresponding period last year; the gross profit rate dropped from 39.6% last year to 35.3% this year. The pro-forma gross profit amounted to NIS 649 million in the quarter compared to NIS 615 million last year, an increase of 5.4%; the gross profit rate dropped from 38.9% to 35.2%.

The gross profit in the half and in the quarter was positively influenced by the growth in sales across all activities of the Company, and by contrast was negatively influenced by the decrease in gross profit in the coffee business due to the continuing sharp rise in raw material prices and the impact of currency exchange rates.

### **Operating Profit before Other Income (Expenses)**

In the first half of 2011 the financial accounting operating profit (before other income and expenses) totaled NIS 248 million (6.9% of sales) compared to NIS 322 million (9.8% of sales) last year, a decrease of 22.8%.

The pro-forma operating profit totaled NIS 279 million (7.7% of sales) in the first half compared to NIS 318 million (9.7% of sales) last year, a decrease of 12.3%.

The operating profit in the half was negatively influenced by the growth in expenses relating to building Strauss Water's activity in China and in England, by the simultaneous operation of two production sites in the USA, and by the decrease in profit in the coffee business, further to the decrease in gross profit resulting from the increase in raw material prices.

In the second quarter the financial accounting operating profit (before other income and expenses) totaled NIS 115 million (6.3% of sales) compared to NIS 145 million (9.2% of sales) last year, a decrease of 20.2%.



The pro-forma operating profit totaled NIS 125 million (6.8% of sales) in the second quarter compared to NIS 137 million (8.7% of sales) last year, a decrease of 8.8%.

The quarterly operating profit in the half was negatively influenced by the growth in expenses relating to building Strauss Water's activity in China and in England, and by the decrease in profit in the coffee business, further to the decrease in gross profit for this sector.

### **Income for the Period**

Income for the period in the first half totaled NIS 117 million compared to NIS 184 million last year. The pro-forma income for the period in the half amounted to NIS 151 million compared to NIS 205 million last year, a decrease of 26.8%.

Income for the period in the second quarter totaled NIS 43 million compared to NIS 75 million last year. The pro-forma income for the period in the second quarter amounted to NIS 58 million compared to NIS 88 million last year, a decrease of 34.7%.

### **Income for the Period for the Shareholders of the Company**

The financial accounting income for the period for the shareholders of the Company in the first half totaled NIS 81 million compared to NIS 136 million last year, a decrease of 40.6%. The decrease is mainly the result of the decrease in the operating profit and of the increase in financing expenses compared to last year.

The pro-forma income for the shareholders of the Company in the first half amounted to NIS 109 million (3.0% of sales) compared to NIS 155 million last year (4.7% of sales), a decrease of 29.0%. The decrease in income is mainly the result of the decrease in the operating profit and the increase in financing expenses compared to last year.

In the second quarter the financial accounting income for the shareholders of the Company amounted to NIS 26 million compared to NIS 52 million last year, a decrease of 50.4%. The decrease in income in the quarter is mainly the result of the decrease in the operating profit and of the increase in financing expenses compared to last year.

The pro-forma income for the shareholders of the Company in the second quarter amounted to NIS 39 million (2.1% of sales) compared to NIS 63 million last year (3.9% of sales), a decrease of 36.0%. The decrease in the second quarter is mainly the result of the decrease in the operating profit and the increase in financing expenses compared to last year.

### **Income for the Period for Minority Shareholders**

In the first half the share for minority shareholders in the income of subsidiaries totaled NIS 36 million compared to NIS 48 million in the corresponding period last year, a decrease of 25.2%.

In the second quarter the share for minority shareholders in the income of subsidiaries totaled NIS 17 million compared to NIS 23 million in the corresponding period last year, a decrease of 24.4%.



**Table 1**

*Following are the condensed financial accounting statements of income for the quarter and first half ended June 30, 2011 and 2010 (in NIS millions):*

	For the First Half			Second Quarter		
	2011	2010	% Chg	2011	2010	% Chg
<b>Sales</b>	<b>3,614</b>	<b>3,276</b>	<b>10.3</b>	<b>1,841</b>	<b>1,580</b>	<b>16.6</b>
Cost of sales not including impact of hedging transactions	2,285	1,977	15.6	1,192	965	23.7
Revaluation of the balance of hedging transactions on commodities as at end of period	14	(10)		(2)	(11)	
Cost of sales	2,299	1,967	16.9	1,190	954	24.8
<b>Gross Income</b>	<b>1,315</b>	<b>1,309</b>	<b>0.5</b>	<b>651</b>	<b>626</b>	<b>4.0</b>
Selling and marketing expenses	846	786	7.5	421	385	9.1
General and administrative expenses	221	201	10.0	115	96	20.1
<b>Operating income before other expenses</b>	<b>248</b>	<b>322</b>	<b>(22.8)</b>	<b>115</b>	<b>145</b>	<b>(20.2)</b>
Other expenses, net	(6)	(27)	(75.9)	(4)	(20)	(74.8)
<b>Operating Income</b>	<b>242</b>	<b>295</b>	<b>(18.0)</b>	<b>111</b>	<b>125</b>	<b>(11.8)</b>
Financing expenses, net	(68)	(29)	135.1	(42)	(21)	100.2
<b>Income before taxes on income</b>	<b>174</b>	<b>266</b>	<b>(34.6)</b>	<b>69</b>	<b>104</b>	<b>(33.6)</b>
Taxes on income	(57)	(82)	(30.2)	(26)	(29)	(11.1)
Effective tax rate	32.9%	30.8%		37.5%	28.0%	
<b>Income for the period</b>	<b>117</b>	<b>184</b>	<b>(36.5)</b>	<b>43</b>	<b>75</b>	<b>(42.4)</b>
<b>Income attributed to the shareholders of the Company</b>	<b>81</b>	<b>136</b>	<b>(40.6)</b>	<b>26</b>	<b>52</b>	<b>(50.4)</b>
Income attributed to the holders of rights that do not confer control	36	48	(25.2)	17	23	(24.4)

\* Financial data were rounded off to NIS millions. The percentages of change were calculated on the basis of the exact figures in NIS thousands

**Table 2**

*Following are the condensed results of business operations (based on the Company's pro-forma statements) for the quarter and first half ended June 30, 2011 and 2010 (in NIS millions):*

	For the First Half			Second Quarter		
	2011	2010	% Chg	2011	2010	% Chg
<b>Sales</b>	<b>3,614</b>	<b>3,276</b>	<b>10.3</b>	<b>1,841</b>	<b>1,580</b>	<b>16.6</b>
Cost of sales	2,285	1,977	15.6	1,192	965	23.7
<b>Gross Income</b>	<b>1,329</b>	<b>1,299</b>	<b>2.3</b>	<b>649</b>	<b>615</b>	<b>5.4</b>
Selling and marketing expenses	846	786	7.5	421	385	9.1
General and administrative expenses	204	195	4.8	103	93	11.0
<b>Operating income – pro-forma</b>	<b>279</b>	<b>318</b>	<b>(12.3)</b>	<b>125</b>	<b>137</b>	<b>(8.8)</b>
Financing expenses, net	(68)	(29)	135.1	(42)	(21)	100.2
<b>Income before taxes on income</b>	<b>211</b>	<b>289</b>	<b>(26.9)</b>	<b>83</b>	<b>116</b>	<b>(28.0)</b>
Taxes on income	(60)	(84)	(27.5)	(25)	(28)	(6.0)
<b>Income for the period – management accounting</b>	<b>151</b>	<b>205</b>	<b>(26.7)</b>	<b>58</b>	<b>88</b>	<b>(34.7)</b>
<b>Income attributed to the shareholders of the Company</b>	<b>109</b>	<b>155</b>	<b>(29.8)</b>	<b>39</b>	<b>63</b>	<b>(36.4)</b>
Income attributed to the holders of rights that do not confer control	42	50	(17.1)	19	25	(28.4)



**Table 3**

*Following are the condensed results of business operations (based on the Company's pro-forma statements) of the major business sectors for the quarter and first half ended June 30, 2011 and 2010 (in NIS millions):*

	For the First Half			Second Quarter		
	2011	2010	% Chg	2011	2010	% Chg
<b>Israel</b>						
Net sales	1,411	1,324	6.5	683	627	8.9
Operating income	158	156	1.4	68	67	1.7
<b>Coffee</b>						
Net sales	1,755	1,597	9.9	924	770	20.1
Operating income	119	141	(15.5)	52	63	(17.3)
<b>International Dips and Spreads</b>						
Net sales	186	135	38.4	100	71	40.8
Operating income	13	12	0.8	11	5	114.9
<b>Other</b>						
Net sales	262	220	19.1	134	112	19.6
Operating income (loss)	(11)	9	(221.6)	(6)	2	365.0
<b>Total</b>						
Net sales	<b>3,614</b>	<b>3,276</b>	<b>10.3</b>	<b>1,841</b>	<b>1,580</b>	<b>16.5</b>
Operating income	<b>279</b>	<b>318</b>	<b>(12.3)</b>	<b>125</b>	<b>137</b>	<b>(9.6)</b>



**Table 4**  
**Consolidated Balance Sheet (in NIS million):**

	June 30 2011 <u>(Unaudited)</u>	June 30 2010 <u>(Unaudited)</u>
<b>Current assets</b>		
Cash and cash equivalents	399	742
Marketable securities and deposits	217	118
Trade receivables	1,077	954
Income tax receivables	87	81
Other receivables and debit balances	203	217
Inventory	864	677
Assets classified as held for sale	-	8
<b>Total current assets</b>	<u>2,847</u>	<u>2,797</u>
<b>Investments and non-current assets</b>		
Other investments and long-term debit balances	164	139
Assets designated for the payment of employee benefits, net	6	6
Fixed assets	1,576	1,438
Intangible assets	1,728	1,544
Deferred expenses	25	27
Investment property	24	5
Deferred tax assets	7	5
<b>Total investments and non-current assets</b>	<u>3,530</u>	<u>3,164</u>
<b>Total assets</b>	<u>6,377</u>	<u>5,961</u>
<b>Current liabilities</b>		
Current maturities of debentures	264	258
Short terms loans and credit	389	192
Trade payables	689	641
Income tax payables	27	43
Other payables and credit balances	484	524
Provisions	39	39
<b>Total current liabilities</b>	<u>1,892</u>	<u>1,697</u>
<b>Non-current liabilities</b>		
Debentures	1,029	1,253
Long-term loans and credit	588	153
Long-term payables and credit balances	23	33
Employee benefits, net	33	28
Deferred taxes	132	133
<b>Total non-current liabilities</b>	<u>1,805</u>	<u>1,600</u>
<b>Equity</b>		
Share capital	243	243
Share premium	622	622
Translation reserve	(191)	(198)
Treasury stock	(20)	(20)
Reserve for available for sale financial assets	3	1
Retained earnings	1,118	1,152
<b>Total equity attributable to the Company's shareholders</b>	<u>1,775</u>	<u>1,800</u>
<b>Non-Controlling interests</b>	<u>905</u>	<u>864</u>
<b>Total equity</b>	<u>2,680</u>	<u>2,664</u>
<b>Total liabilities and equity</b>	<u>6,377</u>	<u>5,961</u>