

UNITED INTERNATIONAL TRANSPORTATION COMPANY (BUDGET-SAUDI) ANNOUNCES ITS INTERIM CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2016 (SIX MONTHS).

ELEMENT	CURRENT QUARTER	SIMILAR QUARTER FOR PREVIOUS YEAR	% CHANGE CURRENT	PREVIOUS QUARTER	% CHANGE PREVIOUS
NET PROFIT (LOSS)	46654	45622	2	49247	-5
GROSS PROFIT (LOSS)	34530	34027	1	34966	-1
OPERATIONAL PROFIT (LOSS)	14292	15780	-9	17204	-16

ELEMENT	CURRENT PERIOD	SIMILAR PERIOD FOR PREVIOUS YEAR	% CHANGE
NET PROFIT (LOSS)	95901	90417	6
GROSS PROFIT (LOSS)	69496	67475	3
OPERATIONAL PROFIT (LOSS)	31496	32432	-3
EARNING (LOSS) PER SHARE	1.57	1.48	

All Figures in Thousands Saudi Arabia, Riyals

ELEMENT	EXPLANATION
REASONS OF INCREASE (DECREASE) FOR QUARTER COMPARED WITH SAME QUARTER LAST YEAR	The net profit in the current quarter compared to same quarter last year is high mainly due to increase in the gain on the sale of vehicles along with consistent growth in the long rental leased vehicles. Even though the short rental revenue is low in this quarter compared to same quarter last year .
REASONS OF INCREASE (DECREASE) FOR PERIOD COMPARED WITH SAME PERIOD LAST YEAR	The increase in the gain on the sale of the vehicles along with the consistent growth in the long rental leased vehicles. Even though the short rental revenue is low for the six months ended this year compared to same period last year, The reason for decline in the short rental is mainly due to shift in the customer preference in short rental vehicles from luxury or high rental segment to medium or economy segment vehicles.
REASONS OF INCREASE (DECREASE) FOR QUARTER COMPARE WITH PREVIOUS QUARTER	The net profit for the current quarter is lower compared to immediate preceding quarter is mainly due to lower gain from the sale of vehicles due to low volume of vehicles sold during the quarter compared to preceding quarter. The reason for comparatively less number of used vehicles was that the last month June, of the second quarter was also month of Ramadan when the sale of used vehicles reduces as the working hours in addition to decline in demand for used cars offered for sale during Ramadan, which is normal.

Notes

ELEMENT	EXPLANATION
Comparative reclassification	Certain comparative figures have been reclassified to conform to the current period's presentation.
OTHER NOTES	<p>1-The operational profit for the current quarter is lower compared to same quarter last year is mainly to decline in short rental revenue due to shift in the customer preference in short rental vehicles from luxury or high rental segment to medium or economy segment vehicles.</p> <p>2-The operational profit for the current quarter is low compared to the immediate preceding quarter mainly due to decline in short rental revenue as the rental mix has change due to shift in the customer preference in short rental vehicles from luxury or high rental segment to medium or economy segment vehicles.</p> <p>3-The short rental revenue is low mainly because of change in the current economic condition in the KSA. The fleet remain more or less same, however the rental mix has change due to shift in the customer preference in short rental vehicles from luxury or high rental segment to medium or economy segment vehicles. Also corporate travelling also has come down between the intra cities. The reduction in short rental is significantly compensated by continues increase in long rental lease vehicles mainly for commercial vehicles under the subsidiary company Rahaal. The sales volume of the used vehicles from short as well as long rental is higher compared to last year for the same period however not as strong as it should because the last month June, of the second quarter was also month of Ramadan when the sale of used vehicles reduces as the working hours in addition to Decline in demand for cars offered for sale during Ramadan, which is normal trend.</p> <p>4-Earnings per share for the six months period ended 30/6/2016, 30/6/2015 have been computed by dividing the net income for the period by 61 million shares (including bonus shares) according to previous approval from EGM dated 5-5-2016.</p>