



## Quarterly Compliance Report based on AAOIFI Shariah Mandate (Q1-2011)

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### Kuwait Food Company Americana KSC (FOOD KW)

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#### Description

Americana Group's main lines of business are operating food & beverage outlets, as well as manufacturing food products. With a network of over 1,200 outlets. The Group's network encompasses 8 of the world's most recognized brands such as KFC, Pizza Hut, Hardee's, TGI Friday's, Costa Coffee, Krispy Kreme and, most recently, Signor Sassi.

In the food manufacturing and processing sector, Americana Group has a portfolio spanning 10 high quality brands – such as California Garden, Farm Frites, Koki and Americana Meat.

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#### Company Status

IdealRatings analysts have issued a new report regarding the company:

<b>Name:</b>	Kuwait Food Company Americana KSC
<b>Ticker:</b>	FOOD KW
<b>Country:</b>	Kuwait
<b>Core Business Activity:</b>	Restaurants
<b>Exchange:</b>	Kuwait Stock Exchange
<b>Compliance Status:</b>	Shariah-compliant

#### Overview

IdealRatings reviewed the most recent financial statements (Q1-2011) for Kuwait Food Company Americana KSC. The report has been prepared to determine the Shariah-compliance status of the company based on the AAOIFI Shariah mandate.

#### Business Screening

Based on the business of the company the core business is compliant but the company serves and might be provide in some of its restaurants in Egypt, Jordan, Lebanon, Bahrain and the UAE alcohol. The number of restaurants providing alcoholic beverages does not exceed 39 outlets from the overall network of over 1,200 outlets (3.25%), whereas the outlets serving alcohol are mainly restaurants and only minor revenue is generated from alcoholic beverages (such as T.G.I Friday's and Fusion in Egypt).

According to the company, the business segmentation is as follows:

	Restaurants	Industries	Commercial
<b>Kuwait</b>	9.90%	2.43%	3.20%
<b>Saudi</b>	11.57%	11.41%	
<b>Other GCC</b>	18.89%	5.94%	
<b>Egypt and Africa</b>	7.34%	25.39%	
<b>Sham &amp; Others</b>	3.94%		
<b>Total</b>	51.64%	45.16%	3.20%

Since industries and commercial segments only provide Shariah-compliant products as well as restaurants in Kuwait and Saudi Arabia, the alcoholic beverages revenue is estimated for ‘Other GCC’, ‘Egypt and Africa’ as well as ‘Sham & Others’.

Based on the number of stores in the respective country and following a conservative approach the IdealRatings estimation from outlets serving alcoholic beverages is much less than 5% and can be obtained exactly for purification purposes by IdealRatings.

Therefore the status of the company from a business activity is as follows:

	Threshold	Company	Compliance
<b>Non-permissible Income</b>	5%	Less than 5%	<b>PASS</b>

### Financial Screening


According to the most recent available financial statement with adequate information (Q1-2011) the financial ratios with respect to the AAOIFI Shariah mandate for the company are as follows:

	Threshold	Company	Compliance
<b>Interest-bearing Investments</b>	30%	3.39%	<b>PASS</b>
<b>Interest-bearing Debts</b>	30%	20.55%	<b>PASS</b>
<b>Liquidity</b>	67%	20.32%	<b>PASS</b>
<b>Share Type (Preference or Common)</b>	Common	Common	<b>PASS</b>

### Compliance Status

Based on the available information and the above figures according to the AAOIFI Shariah mandate **Kuwait Food Company Americana KSC** is to be considered **Shariah-compliant**.





## Disclosures

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