

**SASINI LIMITED**  
SASINI HOUSE, LOKITA STREET, P.O BOX 30151-00100, NAIROBI  
(Member of The Samsar Group)

**ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2011 (Audited)**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME					CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
	Group 30.09.2011 Ksh '000	30.09.2010 Ksh '000	Company 30.09.2011 Ksh '000	30.09.2010 Ksh '000		Group 30.09.2011 Ksh '000	30.09.2010 Ksh '000	Company 30.09.2011 Ksh '000	30.09.2010 Ksh '000
REVENUE	2,665,877	2,297,927	753,657	564,553	ASSETS				
Gains arising from changes in fair value of biological assets less estimated point of sale costs	413,082	904,832	391,620	409,150	NON-CURRENT ASSETS				
PROFIT FROM OPERATIONS	1,033,525	1,428,525	785,557	737,090	Property, Plant and Equipment	2,402,791	2,433,720	1,563,826	1,570,572
Finance income	4,695	27,774	2,574	8,846	Intangible Assets	29,758	39,791	10,458	13,943
Finance costs	(24,082)	(71,923)	(20,279)	(56,923)	Goodwill	39,403	39,403	-	-
PROFIT BEFORE TAX	1,014,139	1,382,375	767,853	689,013	Biological Assets	5,743,278	5,327,235	1,824,234	1,430,134
TAXATION (CHARGE)/CREDIT	(563,792)	(388,646)	(208,722)	(137,620)	Prepaid leases - leasehold land	20,797	21,038	8,141	8,266
NON CONTROLLING INTEREST	(59,114)	-	-	-	Capital Work-in-progress	21,645	6,392	-	-
PROFIT ATTRIBUTABLE TO MEMBERS	391,233	980,907	559,131	551,384	Investments in Subsidiary Companies	-	-	172,697	172,697
PROFIT/(LOSS) ARISING FROM OPERATING ACTIVITIES	387,502	352,553	330,577	265,796	Other Investments	525	4,229	-	-
GAINS ARISING FROM CHANGES IN FAIR VALUE OF BIOLOGICAL ASSETS	3,731	628,354	228,554	285,588	INVENTORIES	385,614	278,757	127,651	85,128
AFTER TAX	391,233	980,907	559,131	551,384	Amount due from Subsidiary Companies	347,296	319,040	121,618	116,885
EARNINGS PER SHARE (KSHS) ON OPERATING ACTIVITIES	1.70	1.55	1.45	1.17	Trade and Other receivables	1,051	3,451	1,734	1,818
EARNINGS PER SHARE (KSHS) ON BIOLOGICAL ASSETS	0.02	2.76	1.00	1.25	Amounts due from related companies	20,169	-	27,673	25,548
NET EARNINGS PER SHARE (KSHS)	1.72	4.30	2.45	2.42	Cash and Bank balances	489,103	626,408	224,765	369,284
ISSUED AND FULLY PAID SHARES OF KSHS 1 EACH	228,055	228,055	228,055	228,055	TOTAL ASSETS	9,501,430	9,099,464	4,090,598	3,834,666
					SHAREHOLDERS' FUNDS AND LIABILITIES				
					EQUITY AND LIABILITIES				
					Share Capital	228,055	228,055	228,055	228,055
					Distributable Reserves	1,227,864	983,504	447,889	277,472
					Non - Distributable Reserves	5,156,538	5,181,084	2,327,122	2,114,166
					Non- controlling interest	189,118	136,739	-	-
					TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES	6,801,575	6,529,382	3,003,066	2,619,695
					NON CURRENT LIABILITIES				
					Bank Loan	56,837	-	56,837	-
					Deferred Tax	1,847,081	1,444,349	627,440	425,404
					Loan notes	-	-	-	420,000
					Post employment benefits	212,502	188,688	17,500	18,510
					TOTAL NON CURRENT LIABILITIES	2,116,420	2,051,037	701,777	663,914
					CURRENT LIABILITIES				
					Trade and Other Payables	429,570	367,503	164,650	176,294
					Provisions	11,733	12,692	7,672	7,432
					Post employment benefits	10,450	11,040	880	950
					Amount due to Subsidiary Companies	-	-	80,871	46,380
					Tax payable	-	2,854	-	-
					Bank overdraft	-	4,955	-	-
					Bank loan	131,682	-	131,682	-
					Loan notes	-	120,000	-	120,000
					TOTAL CURRENT LIABILITIES	583,435	519,044	385,755	351,056
					TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES	9,501,430	9,099,464	4,090,598	3,834,666
					CONSOLIDATED CASHFLOW STATEMENT				
					OPERATING ACTIVITIES				
					Cash Flow Generated from Operations	658,991	587,779	126,961	154,753
					Income Taxes Paid	(172,292)	(183,405)	(2,127)	(5,800)
					Net cash flow used (in) generated from operating activities	486,699	404,374	209,689	148,953
					INVESTING ACTIVITIES				
					Purchase of Property, plant and equipment	(150,802)	(142,046)	(30,085)	(37,920)
					Purchase of Intangible Assets	-	-	-	-
					Biological assets	(2,961)	(6,126)	(2,479)	(2,726)
					Capital Work in progress	(15,253)	(2,154)	-	-
					Dividend received from trade investments	-	-	-	-
					Finance income	4,695	27,774	-	8,846
					Proceeds on sale of property, plant and equipment	3,550	84,219	2,574	2,466
					Proceeds on sale of available for sale investments	50,914	-	-	-
					Acquisition of non controlling interest	-	-	-	-
					Purchase of minority shares	-	314	-	-
					Net cash flow used in Investing activities	(109,857)	(138,333)	(29,676)	(129,334)
					FINANCING ACTIVITIES				
					Proceeds from bank loan	243,000	-	243,000	-
					Repayment of loan notes	(540,000)	(60,000)	(540,000)	(80,000)
					Dividend received from Subsidiary company	-	-	272,500	230,000
					Loans repayments	(54,481)	(4,550)	(64,481)	(4,550)
					Dividend paid to non controlling interests	(7,500)	-	-	-
					Interest paid	(24,082)	(71,923)	(20,279)	(56,923)
					Dividend paid on ordinary shares	(182,444)	(91,222)	(182,445)	(91,222)
					Net cash flow used in financing activities	(665,507)	(227,695)	(281,705)	17,305
					Net (Decrease) Increase in Cash and cash equivalents	(188,665)	38,346	(186,547)	36,924
					Cash and cash equivalents at the beginning of the year	621,453	544,688	369,284	295,143
					Effect of exchange rate changes	56,315	38,419	42,028	37,217
					Cash and cash equivalents at the end of the year	489,103	621,453	224,765	369,284
					COMPANY STATEMENT OF CHANGES IN EQUITY				
					Share Capital	228,055	228,055	228,055	228,055
					Capital Reserves	40,594	1,200,594	36,002	22,265
					Revaluation Reserves	-	-	-	-
					Revenue Reserves	-	-	-	-
					Biological Assets Fair Value	602,992	888,579	888,579	888,579
					Proposed Dividends	45,811	-	-	-
					Non-Controlling Interest	-	-	-	-
					Total	2,152,848	2,619,695	2,619,695	2,619,695
					At 1 October 2009	228,055	40,594	1,200,594	36,002
					Excess depreciation on revaluation	-	-	-	-
					Minority interest in profit after tax	-	-	-	-
					Revaluation surplus	-	-	-	-
					Deferred tax	-	6,685	-	-
					Final dividend for 2009 paid	-	-	-	-
					Interim dividends paid	-	-	-	-
					Proposed final dividends	-	-	-	-
					Proposed final dividend	-	-	-	-
					At 30 September 2010	228,055	40,594	1,184,995	209,055
					At 1 October 2010	228,055	40,594	1,184,995	209,055
					Excess depreciation on revaluation	-	-	-	-
					Minority interest in profit after tax	-	-	-	-
					Revaluation surplus	-	-	-	-
					Other comprehensive income	-	-	-	-
					Final dividend for 2010 paid	-	-	-	-
					Interim 2011 dividends paid	-	-	-	-
					Proposed final dividend	-	-	-	-
					At 30 September 2011	228,055	40,594	1,169,396	333,861

By order of the Board  
M. R. Ekava  
Company Secretary

9th December, 2011

The above extract is based on the Consolidated Accounts of Sasini Limited for the year ended 30th September 2011, as audited by Ernst & Young, upon which an unqualified opinion has been issued.

## **COMMENTS ON THE RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2011**

The year 2010/11 has seen a marked improvement in the financial performance of the Sasini Group. Turnover increased by 16% to Kshs 2.66 billion from Kshs 2.29 billion in the previous year.

Operating profit after tax attributable to the members increased by 10% from Kshs 352 million to Kshs 388 million in 2010/2011. The gains in the valuation of biological assets made up of coffee, and tea bushes dropped from Kshs 628 million to Kshs 4 million. Cash generated from operations increased by kshs 71 million to Kshs 659 million from Kshs 588 million.

The increase in profitability was mainly due to improved prices realized for tea and coffee supported by a favourable exchange rate in the later part of the year. The results were however negatively impacted on by rising costs of the main inputs particularly in relation to energy, farm inputs and labour. The results were also adversely affected by the drought experienced during the first three months of 2011 which resulted in a drop in the production of both tea and coffee.

Early in the year, the Company redeemed the Kshs 540 million of its remaining fixed rate loan notes and refinanced a portion of this loan at more favourable interest rates.

### **Dividend**

An interim dividend of 50% (Ksh0.50 per share) was paid to shareholders on 4th July 2011.

The Directors recommend the payment of a final dividend of 50% (Ksh0.50 per share) for the year ended 30th September 2011, payable less withholding tax, where applicable on or about 9th March 2012 to the members on the register at close of business on 3rd February 2012. The Company's register will be closed for one day on 6th February 2012.

### **Annual General Meeting**

The 60th Annual General Meeting of the members will be held at Kamundu Estate, Kiambu on Friday, 2nd March 2012 at 11.30 a.m.

Formal notice of the meeting will follow.

### **By order of the Board**

**Mrs. Mary R. Ekaya**  
Company Secretary

9<sup>th</sup> December, 2011