

CARBACID INVESTMENTS LIMITED
UNAUDITED CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED 31ST JANUARY 2012

Income Statement

	6 months to 31 January 2012 Shs '000	6 months to 31 January 2011 Shs '000
Turnover	<u>473,658</u>	<u>290,615</u>
Operating profit	260,597	168,868
Finance Income – Net	23,579	20,948
Foreign Exchange Differences	(9,565)	nil
Revaluation of equity investments	<u>(17,379)</u>	<u>2,089</u>
Profit before taxation	257,232	191,905
Taxation charge	<u>(82,400)</u>	<u>(55,000)</u>
Net Profit After Tax	<u>174,832</u>	<u>136,905</u>
Earnings per share – Basic & Diluted	<u>Shs 5.15</u>	<u>Shs 4.03</u>

Cash Flow Statement for the six months ended 31st January 2012

	6 months to 31 January 2012 Shs '000	6 months to 31 January 2011 Shs '000
Balance at 31st July 2011		211,941
Net cash generated from operating activities	152,397	85,998
Net cash used in Investing activities	(227,463)	(83,928)
Net cash used in Financing activities	(101,940)	(101,940)
Balance at 31st January 2012	<u>275,499</u>	<u>112,071</u>

Statement of Financial Position

	As at 31 January 2012 Shs '000	As at 31 January 2011 Shs '000
ASSETS		
Non Current Assets		
Property, plant and equipment	875,342	780,447
Investment property	60,000	45,000
Operating lease prepayment	67,311	21,330
Equity investments	73,773	88,448
Bonds and treasury bills	<u>250,000</u>	<u>257,877</u>
	<u>1,326,426</u>	<u>1,193,102</u>
Working Capital		
Current assets	536,491	318,172
Current liabilities	<u>(95,738)</u>	<u>(30,702)</u>
Net working capital	<u>440,753</u>	<u>287,470</u>
Total net assets	<u>1,767,179</u>	<u>1,480,572</u>
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Share capital	169,901	169,901
Capital reserves	255,681	228,061
Revenue Reserves	939,843	793,854
Surplus for the period	<u>174,832</u>	<u>136,906</u>
	<u>1,540,257</u>	<u>1,328,722</u>
Non current liabilities		
Deferred income taxes	226,922	151,850
Total equity and liabilities	<u>1,767,179</u>	<u>1,480,572</u>

Statement of Changes in Equity for the six months ended 31st January 2012

	Share Capital Shs '000	Capital Reserves Shs '000	Revenue Reserves Shs '000	Total Shs '000
As at 31st July 2011	169,901	255,681	1,041,783	1,467,365
Net Profit for the period	-	-	174,832	174,832
Final Dividend Paid	-	-	(101,940)	(101,940)
As at 31st January 2012	<u>169,901</u>	<u>255,681</u>	<u>1,114,675</u>	<u>1,540,257</u>

Results for the six months ended 31st January 2012

Revenue for the six months ended 31st January 2012 was KShs 473 million, an increase of 63% over the same period last year, with profit before tax increasing by 34% at KShs 257 million. This increase in turnover was achieved by penetrating new export markets. The effect of increase in direct costs, mainly of fuel, electricity and staff costs was felt during the 6 month period. However, strong management controls kept the effect on margins level at 55%. Continued high costs of power and fuel will remain the major challenges to maintain margins in the second half of the year. The export markets will continue to be developed further. The currency movements will also impact on the results in the second half of the year.

The Company will continue to invest in new equipment and transport facilities to meet and exceed customer requirements and expectations in all the markets that the Company supplies to.

Interim Dividend

The Directors of the Company have resolved to pay an interim dividend of KShs 3/- per share (2011- KShs 2/-) for the year ending 31st July 2012 on or about 4th May 2012 to shareholders on the register at the close of business on 10th April 2012.

Closure of Register

Notice is hereby given that the register of members will be closed from 10th April 2012 to 18th April 2012 for the purpose of preparation of a dividend list. Any correspondence or documents for registration should be received by 4.30 p.m., on 10th April 2012 and may be hand delivered or posted to the Registered Office at the following address:-

Specialist Corporate Consultants, Empress Plaza, 1st Floor, Corner of Ring Road Parklands and Jalaram Road, Westlands, P O Box 764, Nairobi, Sarit Centre, 00606

By Order of the Board,
N P Kothari,
Secretary,
19th March 2012

CARBACID INVESTMENTS LTD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR SIX MONTHS ENDED 31 JANUARY 2012

	6 Months to 31 January 2012 <u>Shs '000</u>	6 Months to 31 January 2011 <u>Shs '000</u>	VAR %	Audited Year to 31 July 2011 <u>Shs '000</u>
TURNOVER	473,658	290,615	63	576,092
COST OF SALES	(165,222)	(86,108)	92	(200,113)
GROSS PROFIT	308,435	204,507	51	375,979
OTHER OPERATING INCOME	14,722	12,690	16	30,887
DISTRIBUTION COSTS	(16,500)	(13,197)	25	(30,293)
ADMINISTRATIVE EXPENSES	(46,060)	(35,133)	31	(69,747)
OPERATING PROFIT	260,597	168,868	54	306,827
FINANCE INCOME	23,579	20,948	13	37,330
FOREIGN EXCHANGE DIFFERENCES	(9,565)	-		10,432
ADJUSTMENT ON REVALUATION OF EQUITY INVESTMENTS	(17,379)	2,089	(932)	4,622
GAIN ON REVALUATION	-	-		15,000
PROFIT BEFORE TAX	257,232	191,905	34	374,211
TAXATION	(82,400)	(55,000)	50	(72,015)
NET PROFIT FOR THE PERIOD	<u>174,832</u>	<u>136,905</u>	<u>28</u>	<u>302,196</u>
PROPOSED DIVIDEND PER SHARE	<u>3</u>	<u>2</u>		<u>5</u>
EARNINGS PER SHARE	<u>5.15</u>	<u>4.03</u>	<u>28</u>	<u>8.89</u>
No. of Shares in issue	<u>33,980,265</u>	<u>33,980,265</u>		<u>33,980,265</u>

CARBACID INVESTMENTS LIMITED
UNAUDITED CONSOLIDATED BALANCE SHEET
FOR SIX MONTHS ENDED 31ST JANUARY 2012

	31st January 2012 (Unaudited) <u>Shs '000</u>	31st January 2011 (Unaudited) <u>Shs '000</u>	31st July 2011 (Audited) <u>Shs '000</u>
ASSETS			
Non Current Assets			
Property, Plant & Equipment	875,342	780,447	867,409
Investment Property	60,000	45,000	60,000
Operating Lease Prepayment	67,311	21,330	67,311
Equity Investments	73,773	88,448	91,152
Bonds & Treasury Bills	250,000	257,877	250,000
	<u>1,326,426</u>	<u>1,193,102</u>	<u>1,335,872</u>
Current Assets			
Inventories	53,785	69,940	31,798
Trade & Other Receivables	207,207	136,161	147,593
Commercial Papers	-	24,801	44,412
Taxation Recoverable	(0)		72,325
Short Term Deposits	186,253	21,573	52,742
Bank & Cash Balances	89,246	65,697	55,243
	<u>536,491</u>	<u>318,172</u>	<u>404,113</u>
Total Assets	<u><u>1,862,917</u></u>	<u><u>1,511,274</u></u>	<u><u>1,739,985</u></u>
EQUITY & LIABILITIES			
Share Capital & Reserves			
Share Capital	169,901	169,901	169,902
Capital Reserves	255,681	228,061	255,680
Revenue Reserves	939,843	793,854	1,041,783
Surplus for the Year	174,832	136,906	
Proposed Dividend Gross	101,941	67,961	
	<u>1,642,198</u>	<u>1,396,683</u>	<u>1,467,365</u>
Non Current Liabilities			
Deferred Income Taxes	226,922	151,850	226,922
Current Liabilities			
Trade & Other Payables	61,258	53,936	28,549
Unclaimed dividends	17,127		17,149
Taxation Payable	17,353	(23,234)	-
Dividends Payable	(101,941)	(67,961)	-
	<u>(6,203)</u>	<u>(37,259)</u>	<u>45,698</u>
Total Equity & Liabilities	<u><u>1,862,917</u></u>	<u><u>1,511,274</u></u>	<u><u>1,739,985</u></u>
	0	(0)	-

CARBACID INVESTMENTS LIMITED

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR SIX MONTHS ENDED 31ST JANUARY 2012**

	Share Capital <u>Shs '000</u>	Capital Reserves <u>Shs '000</u>	Revenue Reserves <u>Shs '000</u>	Total <u>Shs '000</u>
As at 31st July 2011	169,901	255,681	1,041,783	1,467,365
Net Profit for the period			174,832	174,832
Final Dividend Paid			(101,940)	(101,940)
As At 31st January 2012	<u>169,901</u>	<u>255,681</u>	<u>1,114,675</u>	<u>1,540,257</u>

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CARBACID INVESTMENTS LIMITED

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR SIX MONTHS ENDED 31ST JANUARY 2012**

	6 Months to 31 Jan 2012 (Unaudited) Shs '000	6 Months to 31 Jan 2011 (Unaudited) Shs '000	Year to 31 Jul 2011 (Audited) Shs '000
<u>OPERATING ACTIVITIES</u>			
Cash Generated from Operations	202,350	136,863	338,081
Interest Received	26,579	19,612	45,207
Taxation Paid	(1,465)	(70,477)	(79,658)
Net Cash Generated from Operating Activities	<u>227,464</u>	<u>85,998</u>	<u>303,630</u>
<u>INVESTING ACTIVITIES</u>			
Purchase of Plant & Equipment	(48,075)	(67,896)	(121,347)
Purchase of Land			(47,413)
Proceeds from Disposal of Plant & Equipment		1,810	2,569
Purchase of Equity Investment		(19,178)	(19,349)
Sale / (Purchase) of Commercial Paper	44,412		
Dividends Received	1,241	1,336	
Net Cash Used in Investing Activities	<u>(2,422)</u>	<u>(83,928)</u>	<u>(185,540)</u>
<u>FINANCING ACTIVITIES</u>			
Dividends Paid	<u>(101,940)</u>	<u>(101,940)</u>	<u>(177,634)</u>
INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	<u>123,102</u>	<u>(99,870)</u>	<u>(59,544)</u>
CASH & CASH EQUIVALENTS AT THE START OF THE PERIOD	152,397	211,941	211,941
CASH & CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>275,499</u></u>	<u><u>112,071</u></u>	<u><u>152,397</u></u>