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June 18, 2012

Your ref. CI/NSE/VOL.I/NN

Mr. Peter Mwangi,  
Chief Executive,  
Nairobi Securities Exchange Limited,  
1<sup>st</sup> Floor, Nation Centre  
Kimathi Street,  
Nairobi.

Dear Peter,

**RE: FINANCIAL RESULTS FOR THE YEAR ENDING 31 MARCH 2012**

The Chairman and Board of Directors of Centum Investment Company Limited are pleased to announce the audited financial results for year ending 31 March 2012:

**Consolidated and Company Statement of Comprehensive Income  
For the year ended 31 March 2012**

Kshs. Million	Group		Company	
	Mar'12	Mar'11	Mar'12	Mar'11
Investment Income	1,272	2,261	764	1,685
Operating and Administrative costs	(269)	(299)	(227)	(291)
Finance Costs	(229)	(155)	(50)	(155)
Share of Associate Profits	594	487	-	-
Profit Before Tax	1,368	2,294	487	1,239
<b>Profit After Tax</b>	<b>1,189</b>	<b>2,292</b>	<b>446</b>	<b>1,237</b>
Other Comprehensive Income	(708)	(589)	687	2,158
<b>Total Comprehensive Income</b>	<b>481</b>	<b>1,703</b>	<b>1,133</b>	<b>3,395</b>
<b>Earnings Per Share</b>	<b>1.79</b>	<b>3.44</b>		

**Consolidated and Company Statement of Financial Position  
As at March 31, 2012**

Kshs. Million	Group		Company	
	Mar'12	Mar'11	Mar'12	Mar'11
Portfolio value	11,181	11,989	14,694	14,487
Other assets	387	312	1,027	516
<b>Total Assets</b>	<b>11,568</b>	<b>12,301</b>	<b>15,721</b>	<b>15,003</b>
Borrowings	1,000	1,988	1,000	1,988
Other Liabilities	527	754	1,036	463
Capital and Reserves	10,041	9,559	13,685	12,552
<b>Total Capital and Liabilities</b>	<b>11,568</b>	<b>12,301</b>	<b>15,721</b>	<b>15,003</b>
<b>NAV per share (Kshs.)</b>			<b>20.57</b>	<b>18.86</b>

**Consolidated Statement of Cash flows  
For year ended 31 March 2012**

Kshs. Million	Mar'12	Mar'11
Opening cash and cash equivalents	(981)	394
Net cash from operations	(126)	257
Net cash from investing activities	1,430	(2,629)
Cash from financing activities	(1)	997
<b>Closing cash and cash equivalents</b>	<b>322</b>	<b>(981)</b>

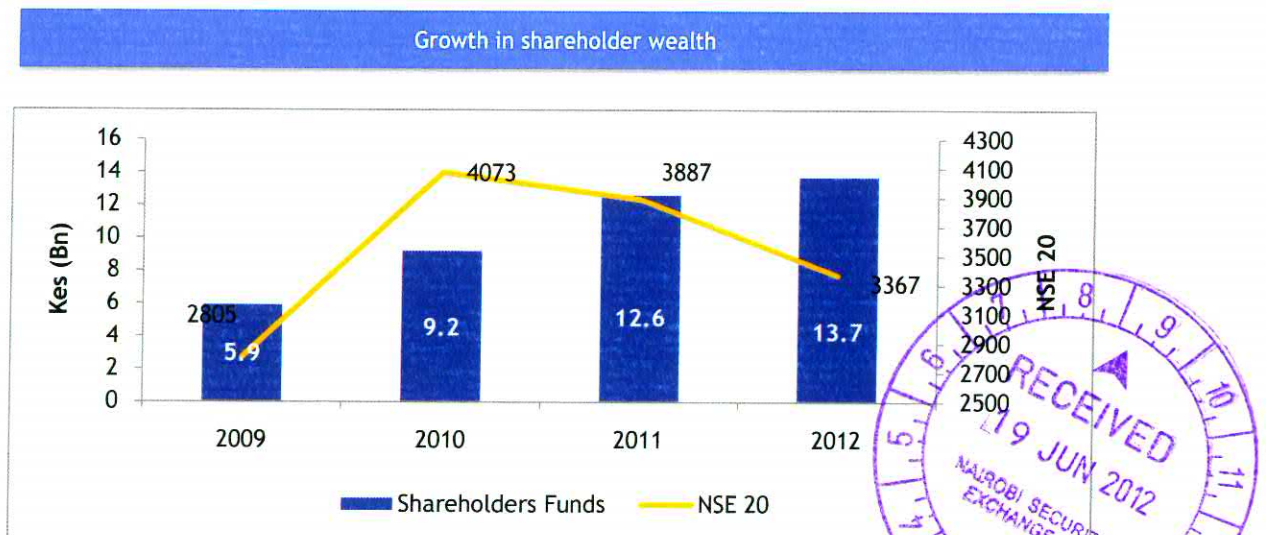
**Consolidated Statement of Changes in Equity  
for year ended 31 March 2012**

Kshs. Million	Mar'12	Mar'11
Share Capital	333	302
Share Premium	590	590
Revaluation Reserve	1,736	2,444
Retained Earnings	7,382	6,223
<b>Total</b>	<b>10,041</b>	<b>9,559</b>

The financial data presented above are selected extracts (without material adjustment) of the audited financial results. For an in depth analysis of performance, visit [www.centum.co.ke](http://www.centum.co.ke)

**Performance in the period proved tenacity of our strategy in the face of a challenging operating environment**

Centum's gain in net worth in the year to March 2012 was Kshs 1.1 Billion, which increased the net asset value per share by 9% to Kshs 20.57. The value of shareholder wealth has since 2009 (the start of our 2009-2014 strategy) grown by Kshs 7.8 Billion, a cumulative growth of 133% or at a rate of 32.5% compounded annually.



The year to March 2012 was a very challenging year with the NSE 20 share index falling by 13%, cost of credit increased sharply to more than 20%, the foreign currency market experienced wild gyrations and liquidity was very tight throughout most of the year. Our focus in the period was therefore:

1. Delivering market beating returns while protecting shareholder value;
2. Focusing on executing activities that will create value in our real estate and private equity portfolio in the short to medium term;
3. Continued diversification away from market returns and also geographically;
4. Enhancement of our cash position while reducing expensive debt.



In the financial year under review, our objectives were therefore on five key areas;

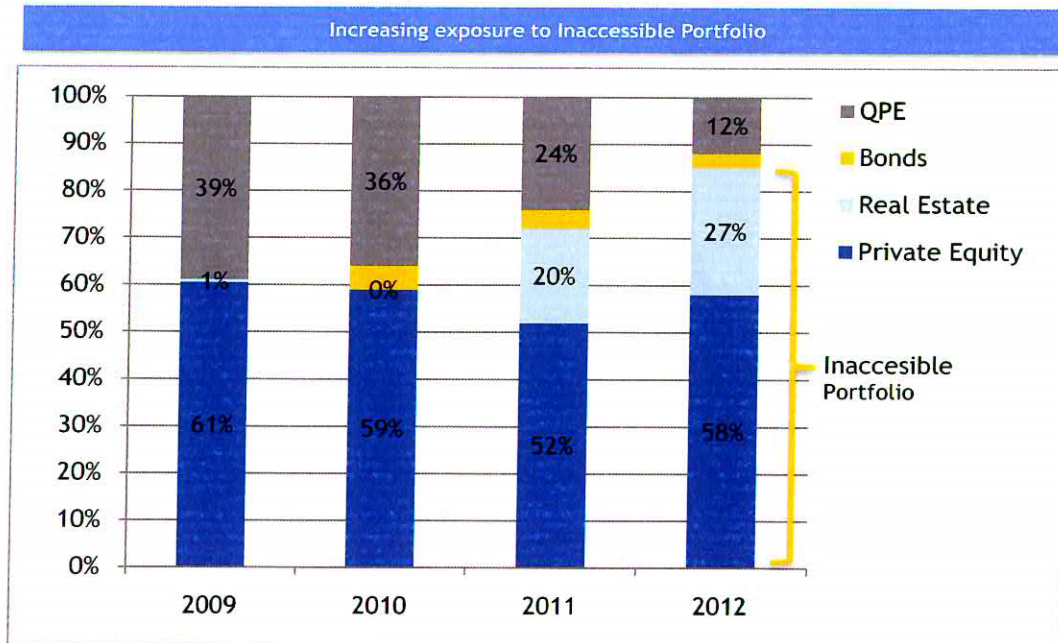
1. Market beating returns and protection of shareholder value - We delivered a return of 9% with net asset value per share (NAV) increasing to Kshs. 20.57 from Kshs.18.86 in the prior year. We outperformed the NSE 20 share index by 22%.

2010 - 2012 Performance relative to the NSE Index			
Year	Centum NAV Return	NSE 20 Return	Centum Outperformance
2010	56%	43%	13%
2011	37%	-4%	41%
2012	9%	-13%	22%
<b>Geometric Average</b>	<b>33%</b>	<b>6%</b>	<b>27%</b>

2. Execution of activities that will create value - we made excellent progress in both our real estate and private equity business lines. On the real estate front we secured most of the critical approvals necessary to enable us start developing Two Rivers, located along Limuru Road. Two Rivers will be a premium world class master planned urban address that will be the number one regional destination in East Africa. We also made very good progress within our private equity business line. A few of our private equity portfolio companies achieved key milestones with UAP raising a significant amount of capital from some of the most respected private equity funds and Longhorn listing its shares which have subsequently rallied by over 40%. We have developed a very attractive and proprietary pipeline of private equity opportunities across the region and we expect that 2012/2013 will be the year when we make the most acquisitions and investments.



3. Geographical Diversification and reduction in market exposure - we continue to enhance our exposure to private equity and real estate while reducing exposure to listed equities. This is in line with our vision of giving investors access to inaccessible investment opportunities. Our exposure to listed securities has declined from 39% in 2009 to 12% in 2012. We also continue to pursue our geographical diversification strategy and our exposure outside Kenya has increased from 0.1% in 2009 to 14% in 2012.




4. Debt reduction and liquidity enhancement so as to strengthen the financial position - we increased our holdings of cash and cash equivalents from Kshs 0.2 Million in March 2011 to Kshs 1.5 Billion in March 2012. We also significantly reduced our debt from Kshs 2 Billion to Kshs 1 Billion.

#### Outlook

The year 2012/2013 has the potential to be a transformative year for Centum. Many of the projects we have been working on over the last 24 months are about to mature and the potential returns are very significant. With the maturity of these projects we expect to significantly de-link our performance from that of the capital market and be in a position to consistently deliver significant positive returns.

By Order of the Board



**James Mworia, CFA**  
**Managing Director**



cc Ms. Stella Kilonzo,  
Chief Executive  
Capital Market Authority  
Nairobi