

Takes upto 600 shots in a digital camera



Recommended for moder to heavy drain devices





Announcement of audited results for the year ended September 30, 2010

| INCOME STATEMENT | 30.09.2010 Ksh '000 | 30.09.2009 Ksh '000 |
|---|------------------------------|------------------------------|
| Turnover | 1,635,106 | 1,645,193 |
| Profit from operations Finance costs Profit before taxation | 72,633 (57,887) 14,746 | 68,232 (26,664) 41,568 |
| Tax charge | (6,043) | (13,297) |
| Profit after tax | 8,703 | 28,271 |
| Basic / Diluted earnings per share (Kshs) | 0.04 | 0.13 |
| Issued shares of Ksh 1 each | 210,000,000 | 210,000,000 |
| | | |

STATEMENT OF CHANGES IN EQUITY

| | Capital Ksh '000 | Earnings Ksh '000 | Ksh '000 | Ksh '000 |
|--|---------------------|----------------------|----------|-------------------|
| At 1 October 2008 Profit for the period | 210,000 | 156,425 28,271 | - | 366,425 28,271 |
| Dividends paid in the year | - | - | - | - |
| At 30 September 2009 | 210,000 | 184,696 | - | 394,696 |
| | | | | |
| At 1 October 2009 | 210,000 | 184,696 | - | 394,696 |
| Profit for the period | -1 | 8,703 | | 8,703 |
| Dividends paid in the year | | - | - | - |
| At 30 September 2010 | 210,000 | 193,399 | - | 403,399 |
| | | | | |

COMMENTS ON RESULT

EVEREADY® recorded a 65% drop in profit before tax for the year ended September 30, 2010 compared to prior year. This was mainly attributable to:

- . The illicit dry cell trade in the country, including sub standard products and dumping, which continues to flourish.
- A 43% increase in the average price of zinc compared to 2009 which could not be passed on to consumers.
- The depreciation of the Kenya shilling especially in the 2nd half of the year leading to higher finance costs.

Inspite of a drop in the export business due to currency depreciation and political activities, total revenues were maintained at last year's level due to a strong performance by some of the product lines in the domestic market. Schick® and Energizer® brands realized over 300% and 20% growth respectively and AA & AAA EVEREADY® batteries recorded over 26% growth.

Outloo

Despite the challenges facing the 'D' dry cell business as a result of illicit trade, the Company expects to continue realizing growth on the other product lines. Resources have been committed to these particular lines to accelerate growth. The Company is continuing with the expansion of its export business with more focus given to growing other product lines. There is every intention to continue investing in the 'D' dry cell business and implement appropriate strategies that will ensure that the business remains profitable. EVEREADY® will continue to challenge the authorities to ensure that there is a level playing field in the Kenyan manufacturing industry as this is in the interest of Kenyan employees, Kenyan consumers and the Kenyan economy in general.

COMPANY INFORMATIO

EVEREADY East Africa Ltd is a public limited liability company incorporated in Kenya. The company is headquartered in Nairobi, Kenya and undertakes its manufacturing activities in Nakuru, Kenya. EVEREADY East Africa Limited was founded in 1967 and has a workforce of over 200 people. EVEREADY mainly manufactures and distributes "EVEREADY" dry cell "D' size and size "AA" carbon zinc primary batteries as well as "ENERGIZER" alkaline and rechargeable batteries throughout the East African region. The company further provides flashlights under both brand names for a broad spectrum of usage and shaving razors, blades and accessories under the brand name "Schick".

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|---------------|--|------------|------------|
| BALANCE SHEET | | 30.09.2010 | 30.09.2009 |

| BALANCE SHEET | 30.09.2010 | 30.09.2009 |
|---|------------|------------|
| NON-CURRENT ASSETS | Ksh '000 | Ksh '000 |
| Property, plant and equipment | 225.018 | 198.660 |
| Prepaid operating lease rentals | 211 | 215 |
| Deferred tax | 767 | 1.413 |
| Retirement benefit asset | 339 | 2,130 |
| Total Non-current Assets | 226,335 | 202,418 |
| CURRENT ASSETS | | |
| Inventories | 685.669 | 497.211 |
| Receivables and prepayments | 243,711 | 223,133 |
| Current income tax receivable | 7,299 | 12.696 |
| Cash and bank balances | 6,718 | 62,214 |
| Total Current Assets | 943,397 | 795,254 |
| TOTAL ASSETS | 1,169,732 | 997,672 |
| SHAREHOLDERS' FUNDS AND LIABILITIES | | |
| CAPITAL EMPLOYED | | |
| Share Capital | 210.000 | 210.000 |
| Retained earnings | 193,399 | 184.696 |
| Proposed dividends | 100,000 | 104,030 |
| Total Capital employed | 403.399 | 394.696 |
| iotal ouplai oripioyou | 400,000 | 004,000 |
| NON CURRENT LIABILITIES | | |
| Provision for liabilities and charges | 97,500 | 74,800 |
| Hire purchase liabilities | - | |
| Total Non current liabilities | 97,500 | 74,800 |
| CURRENT LIABILITIES | | |
| Payables and accrued expenses | 229.029 | 161.398 |
| Hire purchase liabilities | - | 4,055 |
| Borrowings | 439,804 | 362,723 |
| Total Current liabilities | 668,833 | 528,176 |
| TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES | 1,169,732 | 997,672 |
| CASH FLOW STATEMENT | 30.09.2010 | 30.09.2009 |
| | Ksh '000 | Ksh '000 |
| OPERATING ACTIVITIES | | |
| Cash generated from operations | (36.457) | (74.454) |
| Interest received | - | 83 |
| Interest paid | (37,372) | (34,151) |
| Income tax paid | - | |
| Net cash generated from operating activities | (73,829) | (108,522) |
| INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (54,941) | (40.204) |
| Proceeds on sale of property, plant and equipment | 248 | 12.669 |
| Net cash used in investing activities | (54,693) | (27,535) |
| | (5.,550) | (=:,500) |

DIVIDENI

Directors do not recommend payment of a dividend

(Decrease)/increase in Cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

By Order of the Board

FINANCING ACTIVITIES
Dividends paid on ordinary shares

Proceeds from borrowings Repayments of borrowings

Net cash used in financing activities

Steven G. Smith MANAGING DIRECTOR Hon. Moody A. Awori BOARD CHAIRMAN

The above extract is based on the accounts of EVEREADY EAST AFRICA LIMITED for the year ended September 30, 2010, as audited by DCDM Associates, upon which an unqualified opinion has been issued.



(4,796)

(140,853)

(159.656)

(300,509)

(4,055)

(132,577)

(433,086)