EVEREADY EAST AFRICA LIMITED

announcement of results for the six month period ended 31 march 2013

The board of directors of Eveready East Africa Ltd. are pleased to announce the unaudited results for the Company for the six month period ended 31 March, 2013

PROFIT AND LOSS ACCOUNT

	31.03.2013 Ksh '000	31.03.2012 Ksh '000
Turnover	701,900	714,674
Profit from operations	39,697	25,970
Interest expense	(16,324)	(23,151)
Exchange gain / (Loss)	(6,973)	64,153
Profit before taxation	**16,400**	**66,972**
Tax charge	7,320	22,492
Profit after tax	**9,080**	**44,480**
Basic / Diluted earnings per share (Kshs)	**0.04**	**0.21**
Issued shares of Ksh 1 each	**210,000,000**	**210,000,000**

STATEMENT OF CHANGES IN EQUITY

	Share Capital Ksh '000	Retained Earnings Ksh '000	Dividends Ksh '000	Total Ksh '000
At 1 October 2011	210,000	69,405	-	279,405
Profit for the period	-	44,480	-	44,480
Dividends paid in the year	-	-	-	-
Dividends proposed	-	-	-	-
At 31 March 2012	**210,000**	**113,885**	-	**323,885**
At 1 October 2012	**210,000**	**139,489**	-	349,489
Profit for the period	-	9,080	-	9,080
Dividends paid in the year	-	-	-	-
Dividends proposed	-	-	-	-
At 31 March 2013	**210,000**	**148,569**	-	**358,569**

COMMENT ON RESULTS:

The Company registered a 10% growth in domestic (Kenya) sales compared to same period last year. However, due to a 50% drop in export sales, overall revenues declined by 2%. Income from operations grew by 56% compared to the same period last year. Interest cost declined by 29% while forex income declined by 111% resulting to a 76% decline in profit before tax. The Ksh64m unrealised forex income recorded in FY2012 was a one-off event as a result of the sharp movement of local unit then.

We have continued to see significant improvement in our working capital management as a result, our level of borrowing declined from Ksh.361m to Ksh 270m.

Outlook

The management is confident that the measures put in place to grow the business as contained in the 2011-12 medium-term plan are starting to achieve the desired result. We are also in the process of finalising a five year strategic plan 2013-17. The plan contains actions that will lead the company on a growth path over the plan period and to the foreseeable future.

By order of the Board

Hon. A. Moody Awori, **Board Chairman**

Jackson K. Mutua **Managing Director**

BALANCE SHEET

	31.03.2013 Ksh '000	30.09.2012 Ksh '000
NON-CURRENT ASSETS		
Property, plant and equipment	186,411	182,428
Prepaid operating lease rentals	205	205
Deferred Income tax	49,106	88,982
Retirement benefit asset	3,071	3,071
Total Non-current Assets	**238,793**	**274,686**
CURRENT ASSETS		
Inventories	441,919	592,597
Receivables and prepayments	217,354	176,710
Current income tax receivable	2,024	6,944
Cash and bank balances	10,251	99,792
Total Current Assets	**671,548**	**876,043**
TOTAL ASSETS	**910,341**	**1,150,729**
SHAREHOLDERS' FUNDS AND LIABILITIES		
CAPITAL EMPLOYED		
Share Capital	210,000	210,000
Retained earnings	148,569	139,489
Proposed dividends	-	-
Total Capital employed	**358,569**	**349,489**
NON CURRENT LIABILITIES		
Provision for liabilities and charges	70,492	68,000
Hire purchase liabilities	-	-
Total Non current liabilities	**70,492**	**68,000**
CURRENT LIABILITIES		
Payables and accrued expenses	186,819	234,738
Deferred Income tax	13,408	37,476
Current income tax payable	0	0
Other Financial Liabilities	73,717	185,628
Borrowings	207,336	275,398
Total Current liabilities	**481,280**	**733,240**
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES	**910,341**	**1,150,729**

CASH FLOW STATEMENT

	31.03.2013 Ksh '000	30.09.2012 Ksh '000
OPERATING ACTIVITIES		
Cash generated from operations	128,190	(54,881)
Finance Costs	(23,297)	817
Net cash generated from operating activities	**104,893**	**(54,064)**
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(14,461)	(6,558)
Proceeds on sale of property, plant and equipment	0	111,989
Net cash used in investing activities	**(14,461)**	**105,431**
FINANCING ACTIVITIES		
Changes in other financial liabilities	(111,911)	52,144
Net cash used in financing activities	**(111,911)**	**52,144**
(Decrease)/increase in Cash and cash equivalents	**(21,479)**	**103,511**
Cash and cash equivalents at the beginning of the period	(175,606)	(279,117)
Cash and cash equivalents at the end of the period	**(197,085)**	**(175,606)**

The above extract is based on the unaudited accounts of Eveready East Africa Limited for the six months ending 31 March 2013.
The principle accounting policies adopted in the preparation of these financial statements are similar to those applied in the previous financial statements









Energizer

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Schick

Playtex

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