EVEREADY EAST AFRICA LIMITED

ANNOUNCEMENT OF AUDITED RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

PROFIT AND LOSS ACCOUNT

	Group		Company	
	30.09.2015	30.09.2014 Restated	30.09.2015	30.09.2014 Restated
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
Revenue	1,132,136	1,216,580	1,124,582	1,209,291
Operating profit	11,872	54,811	22,144	70,214
Plant Closure costs	(6,702)	(246,342)	(6,702)	(246,342)
Finance costs	(104,082)	(56,483)	(94,920)	(56,477)
Loss before taxation	**(98,912)**	(248,014)	**(79,478)**	**(232,605)**
Taxation	21,202	70,424	21,202	69,838
Loss for the year	**(77,710)**	**(177,590)**	**(58,276)**	**(162,767)**
Other Comprehensive income:				
Other Comprehensive income for the Year	665,533	137	664,502	204
Total comprehensive Profit/(loss) for the year	587,823	(177,453)	606,226	(162,563)
Basic loss per share (Kshs)	**2.80**	**(0.85)**	**2.89**	**(0.77)**
Issued shares of Ksh 1 each	**210,000,000**	**210,000,000**	**210,000,000**	**210,000,000**

BALANCE SHEET

	Group		Company	
	30.09.2015	30.09.2014 Restated	30.09.2015	30.09.2014 Restated
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
NON-CURRENT ASSETS				
Property, plant and equipment	30,047	32,548	26,430	26,535
Prepaid operating lease rentals	691,623	198	691,623	198
Investment in Subsidiary	-	-	12,754	12,754
Retirement benefit asset	3,418	6,998	3,418	6,998
Deferred tax	145,957	126,956	145,957	126,956
	871,045	**166,700**	**880,182**	**173,441**
CURRENT ASSETS				
Inventories	398,767	502,405	377,280	478,663
Receivable from group companies	-	-	67,094	53,666
Trade and other receivables	223,734	242,391	209,152	224,576
Current tax receivable	11,140	9,566	6,944	6,944
Cash and cash equivalents	6,979	8,995	2,373	4,839
	640,620	**763,357**	**662,843**	**768,688**
TOTAL ASSETS	**1,511,665**	**930,057**	**1,543,025**	**942,129**
SHAREHOLDERS' FUNDS AND LIABILITIES CAPITAL EMPLOYED				
Share Capital	210,000	210,000	210,000	210,000
Reserves	667,004	1,471	666,170	1,668
Retained (loss)/earnings	(70,716)	6,994	(37,763)	20,513
	806,288	**218,465**	**838,407**	**232,181**
NON CURRENT LIABILITIES				
Deferred tax	54,071	21,023	54,071	21,023
Provisions	-	118,278	-	118,278
	54,071	**139,301**	**54,071**	**139,301**
CURRENT LIABILITIES				
Trade and other payables	323,896	185,456	323,137	183,812
Borrowings	34,912	91,995	34,912	91,995
Bank Overdraft	292,498	294,840	292,498	294,840
	651,306	**572,291**	**650,547**	**570,647**
Total Liabilities	**705,377**	**711,592**	**704,618**	**709,948**
TOTAL EQUITY AND LIABILITIES	**1,511,665**	**930,057**	**1,543,025**	**942,129**

STATEMENT OF CHANGES IN EQUITY

	Share Capital	Translation Reserve	Acturial Reserve	Revaluation Reserve	Retained Earnings	Total
Group	Kshs'000	Ksh '000	Ksh '000	Ksh '000	Ksh '000	Ksh '000
Balance at 1 October 2013	210,000	(130)	1,464	-	184,584	395,918
Loss for the year	-	-	-	-	(177,590)	(177,590)
Other Comprehensive income	-	(67)	204	-		137
Total Comprehensive Loss for the year	-	**(67)**	**204**	-	**(177,590)**	**(177,453)**
Balance at 1 October 2014	**210,000**	**(197)**	**1,668**	-	**6,994**	**218,465**
Loss for the year	-	-	-	-	(77,710)	(77,710)
Other Comprehensive income	-	1,031	(5,248)	669,750	-	665,533
Total Comprehensive Loss for the year	-	**1,031**	**(5,248)**	**669,750**	**(77,710)**	**587,823**
Balance at 30 September 2015	**210,000**	**834**	**(3,580)**	**669,750**	**(70,716)**	**806,288**
Company						
Balance at 1 October 2013	210,000	-	1,464	-	183,280	394,744
Loss for the year	-	-	-	-	(162,767)	(162,767)
Other Comprehensive income	-	-	204	-	-	204
Total Comprehensive Loss for the year	-	-	**204**	-	**(162,767)**	**(162,563)**
Balance at 1 October 2014	**210,000**	-	**1,668**	-	**20,513**	**232,181**
Loss for the year	-	-	-	-	(58,276)	(58,276)
Other Comprehensive income	-	-	(5,248)	669,750	-	664,502
Total Comprehensive Loss for the year	-	-	**(5,248)**	**669,750**	**(58,276)**	**606,226**
Balance at 30 September 2015	**210,000**	-	**(3,580)**	**669,750**	**(37,763)**	**838,407**

CASH FLOW STATEMENT

	Group		Company	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	Kshs'000	Kshs'000	Kshs'000	Kshs'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash generated from operations	106,852	(88,052)	109,094	(64,989)
Finance Costs	(104,082)	(56,483)	(94,920)	(56,477)
Tax paid	(1,574)	(1,698)	-	-
Net cash generated from operating activities	**1,196**	**(146,233)**	**14,174**	(121,466)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(8,006)	(11,682)	(8,006)	(10,755)
Disposal of property, plant and equipment	64,205	548	64,205	548
Disposal of asset (prepaid operating lease)	14	-	14	-
Net movement on related party balances	-	-	(13,428)	(9,975)
Investment in sunsidiary company	-	-	-	(12,754)
Net cash from investing activities	**56,213**	**(11,134)**	**42,785**	**(32,936)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Net movement in borrowings	(57,083)	(2,364)	(57,083)	(2,364)
Net cash from financing activities	**(57,083)**	**(2,364)**	**(57,083)**	**(2,364)**
Total cash movement for the year	**326**	**(159,731)**	**(124)**	**(156,766)**
Cash at the beginning of the year	(285,845)	(126,114)	(290,001)	(133,235)
Total cash at the end of the year	**(285,519)**	**(285,845)**	**(290,125)**	**(290,001)**

COMMENTS ON THE RESULTS

Year 2015 was very challenging for business and the Group was no exception. The Kenya shilling depreciated by 17% to the US Dollar during the period while interest rates doubled resulting in the Group recording an 84% increase in the cost of financing. A strategic decision to review some of the challenging export markets resulted in a decline in revenues by 7%. The Group recorded a loss after tax of Kshs.78m, a 56% improvement from prior year. After revaluation of the Group's property in Nakuru, the profit for the year attributable to the owners of the business is KShs.588m.

DIVIDEND

The Directors do not recommend the payment of a dividend.

ANNUAL GENERAL MEETING

The forty ninth (49th) Annual General Meeting of Eveready East Africa Limited will be held at Merica Hotel, Nakuru on Thursday 14 April 2016 at 11AM.

OUTLOOK

The year saw the Group make major strides in its diversification strategy, where three critical supply and distribution partnerships for new products were unveiled. These products have already been introduced to the market and their acceptance is encouraging. The Group will further invest in two additional product lines in FY16 and that coupled with the foundation set last year will position the business firmly on a path to growth and recovery.

By Order of the Board

Mrs Lucy Waithaka, Board Chair Jackson Mutua, Managing Director

The above extract is based on the accounts of Eveready East Africa Limited for the year ended 30 September 2015 as audited by BDO Associates upon which an unqualified opinion has been issued.

ABOUT EVEREADY EAST AFRICA LIMITED

EVEREADY East Africa Ltd (the "Company") is a public limited liability company incorporated in Kenya. The Company has two fully owned subsidiaries, Flamingo Properties Uganda Limited and Flamingo Properties Kenya Limited (all together referred to as the "Group") The Company is headquartered in Nairobi, Kenya and was founded in 1967. The Company distributes 'EVEREADY®' dry cell 'D' size and size 'AA' carbon zinc primary batteries and 'ENERGIZER®' alkaline and rechargeable batteries throughout the East African region and also provides flashlights under both brand names for a broad spectrum of usage and shaving razors, blades and accessories under the brand name 'SCHICK®'. The Company has also recently introduced the TURBO® brand of automotive batteries, the PIANO® range of writing instruments as well as its newest range of luminaries under the brand name EVEREADY®

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