



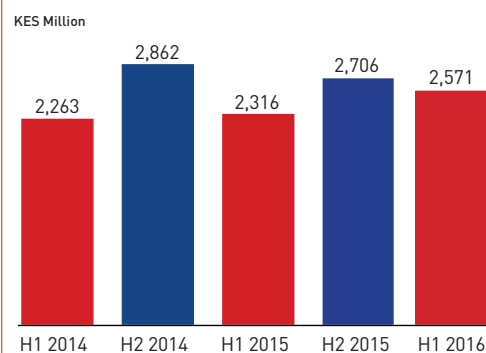
UNAUDITED GROUP RESULTS

FOR SIX MONTHS ENDED 30TH JUNE 2016

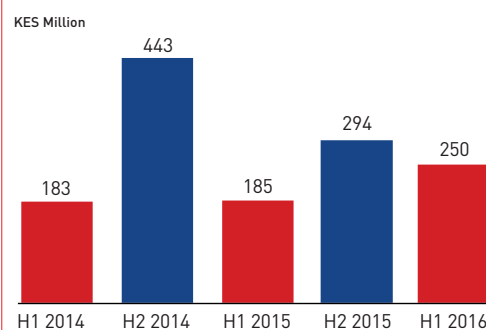
Figures in KES'000

	H1 2016	H1 2015
Revenue	2,570,570	2,316,415
Operating and administrative expenses	(2,397,632)	(2,260,731)
Other income	17,780	7,308
Net interest income	237,860	193,799
Foreign exchange (loss) / gain	(33,508)	28,621
Profit before tax	395,070	285,412
Tax charge	(145,372)	(100,078)
Profit for the period	249,698	185,334
Other comprehensive income / (loss)	7,130	(10,951)
Total comprehensive income for the period	256,828	174,383
Profit attributable to:		
Equity holders of the parent company	249,361	163,960
Non-controlling interests	337	21,374
	249,698	185,334
Total comprehensive income attributable to:		
Equity holders of the parent company	256,443	164,114
Non-controlling interests	385	10,269
	256,828	174,383
Basic and diluted earnings per share (KES)	0.66	0.43

Revenue



Profit After Tax



Management observations

The Board of Directors hereby announce the unaudited results of the Group for the six months ended June 30, 2016. Revenue increased by 11.0% over the corresponding prior year period to KES 2.6bn. As we continue to pursue growth in new markets outside of Kenya we saw strong growth in Gabon, Nigeria, Uganda, and Zambia. Markets outside of Kenya now account for ~40% of group's revenue (2015: ~34%, 2014: ~30%).

Costs of operation increased by 6.1%. Management continues to monitor the costs to ensure any increase in costs is matched with additional revenue.

Interest income increased by KES 44mn (23%) as a result of fixed deposits placed at higher interest rates prevailing during the end of 2015.

Profit before tax increased by 38.4%. The effective tax rate is comparable between the two periods. With wholly owned subsidiaries earning most of the profits, share of minority interest has declined resulting in 52% growth in EPS to KES 0.66.

Outlook for rest of the year

The Group's businesses have shown a strong start to 2016, and the revenue and operating profit growth is expected to continue during the second half of the year.

Accounting Policies

The accounting policies used in preparing these financial statements are consistent with those used for the Group's 2015 annual financial statements.

Dividends

The Board of Directors do not recommend an interim dividend.

By Order of the Board

Reuben Mwangi
Company Secretary
28 July 2016



**Unaudited Consolidated Statement of Profit or Loss and other comprehensive Income
for six month ended 30 June 2016**

All figures in KES'000	H1 2016	H1 2015
Billings	8,075,906	7,374,849
Direct costs	(5,505,336)	(5,058,434)
Revenue	<u>2,570,570</u>	<u>2,316,415</u>
Net interest income	237,860	193,799
Other income	17,780	7,308
Operating and administrative expenses	(2,397,632)	(2,260,731)
Foreign exchange gain / (loss)	(33,508)	28,621
Profit before tax	<u>395,070</u>	<u>285,412</u>
Tax charge	(145,372)	(100,078)
Profit for the year	<u>249,698</u>	<u>185,334</u>
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange difference on translating foreign operations	7,130	(10,951)
Total comprehensive income for the year	<u><u>256,828</u></u>	<u><u>174,383</u></u>
Profit attributable to:		
Equity holders of the parent company	249,361	163,960
Non-controlling interests	337	21,374
	<u><u>249,698</u></u>	<u><u>185,334</u></u>
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	<u><u>256,828</u></u>	<u><u>174,383</u></u>
Basic and diluted earnings per share (KES)	0.66	0.43



Unaudited Consolidated Statement of Financial Position as at 30 June 2016

All figures in Sh'000	30 June 2016	31 December 2015
ASSETS		
<i>Non-current assets</i>		
Equipment	470,726	492,429
Investment in associates and other equity investments	3,752	3,603
Deferred tax asset	325,519	223,308
Goodwill	1,612,235	1,612,235
	<u>2,412,232</u>	<u>2,331,575</u>
<i>Current assets</i>		
Trade and other receivables	7,245,818	5,469,701
Receivable from related parties	73,736	80,253
Work-in-progress	11,735	15,283
Tax recoverable	458,376	410,376
Cash, bank balances and deposits	3,838,450	4,161,291
	<u>11,628,115</u>	<u>10,136,904</u>
Total assets	<u>14,040,347</u>	<u>12,468,479</u>
EQUITY AND LIABILITIES		
<i>Capital and reserves</i>		
Share capital	378,865	378,865
Share premium account	8,281,817	8,281,817
Revenue reserve	146,526	86,598
Translation reserve	(295,783)	(302,865)
Equity attributable to share holders of the holding company	8,511,425	8,444,415
Non-controlling interests	160,230	159,845
Total equity	<u>8,671,655</u>	<u>8,604,260</u>
<i>Non-current liabilities</i>		
Deferred tax liability	6,454	9,356
Loan payable to a related parties	176,400	176,400
	<u>182,854</u>	<u>185,756</u>
<i>Current liabilities</i>		
Trade and other payables	4,859,039	3,559,384
Tax payable	98,064	77,597
Payable to related parties	93,780	29,411
Dividends payable	134,955	12,071
	<u>5,185,838</u>	<u>3,678,463</u>
Total equity and liabilities	<u>14,040,347</u>	<u>12,468,479</u>



Unaudited Consolidated Statement of Changes in Equity for six month ended 30 June 2016

All amounts in KES'000

	Share capital	Share premium	Revenue reserve / (deficit)	Translation deficit	Attributable to share holders of the holding company	Non-controlling interests	Total
At 1 January 2015	378,865	8,281,817	(147,545)	(108,016)	8,405,121	137,510	8,542,631
Profit for the year	-	-	423,576	-	423,576	55,096	478,672
Other comprehensive income	-	-	-	(194,849)	(194,849)	(8,519)	(203,368)
Dividend declared - 2014	-	-	(189,433)	-	(189,433)	(24,242)	(213,675)
At 31 December 2015	378,865	8,281,817	86,598	(302,865)	8,444,415	159,845	8,604,260
At 1 January 2016	378,865	8,281,817	86,598	(302,865)	8,444,415	159,845	8,604,260
Profit for the period	-	-	249,361	-	249,361	337	249,698
Other comprehensive income	-	-	-	7,082	7,082	48	7,130
Dividend declared - 2015	-	-	(189,433)	-	(189,433)	-	(189,433)
At 30 June 2016	378,865	8,281,817	146,526	(295,783)	8,511,425	160,230	8,671,655



Unaudited Consolidated Statement of Cash Flow for six month ended 30 June 2016

All figures in KES'000	H1 2016	H1 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	395,070	285,412
<u>Adjustments:</u>		
Depreciation	80,520	69,536
Gain on disposal of equipment	(2,823)	(1,663)
Unrealised foreign exchange loss / (gain)	20,735	(5,400)
Interest income	(243,062)	(193,799)
Cash generated from operations before working capital changes	<u>250,440</u>	<u>154,086</u>
<u>Movement in working capital</u>		
(Increase) / decrease in trade and other receivables	(639,683)	1,038,501
Decrease in work-in-progress	3,652	624
Increase / (decrease) in trade and other payables	287,623	(429,310)
Change in related party balances	<u>70,886</u>	<u>5,773</u>
	(277,522)	615,588
Cash generated from operating activities	(27,082)	769,674
Tax paid	(267,258)	(266,602)
Net cash (used in) / generated from operating activities	<u>(294,340)</u>	<u>503,072</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(72,245)	(36,972)
Proceeds on sale of equipment	4,243	-
Interest income received	117,457	193,799
Net cash used in investing activities	<u>49,455</u>	<u>156,827</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(66,549)	(202,995)
Loan from related party repaid	-	(104,401)
Net cash used in financing activities	<u>(66,549)</u>	<u>(202,995)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(311,434)</u>	<u>456,904</u>
<u>MOVEMENT IN CASH AND CASH EQUIVALENTS</u>		
Cash and cash equivalents at the beginning of the period	4,161,291	3,795,874
(Decrease) / increase during the period	(311,434)	456,904
Effect of fluctuations in exchange rates	(11,407)	(5,733)
Cash and cash equivalents at end of the period	<u>3,838,450</u>	<u>4,247,045</u>