



## HALF YEAR RESULTS

The Directors are pleased to announce the un-audited results for the six months ended 31 December 2011.

	<b>2011</b> <b><u>Kshs'000</u></b>	<b>2010</b> <b><u>Kshs'000</u></b>
Turnover	8,420,070	6,263,068
Operating Profit	213,808	356,544
Profit Before Taxation	344,261	366,694
Taxation	(103,339)	(108,832)
Profit Before Minority Interests	240,923	257,861
Minority Interests	(91,896)	(111,157)
<b>Profit attributable to equity holders of the parent company</b>	<b><u>149,027</u></b>	<b><u>146,704</u></b>
<b>Earnings Per Share</b>	<b>Shs 1.97</b>	<b>Shs 1.94</b>

## **COMMENTARY**

Turnover has increased in the first half of the year, exceeding that of the prior year by 34%, as a result of commodity cost inflation. Year to date profits before tax are down 7%, despite the positive effects of the recent strengthening of local currencies. The company expects that results will improve over the second half of the year, but will remain vulnerable to currency exposures.

Maize margins remained weak in the first half of the year due to high grain costs, related volume losses and an inability to pass these costs on. Wheat and Animal Nutrition margins have also experienced declines compared to prior year, as consumers and farmers with reduced purchasing power trade off quality for price. New product launches and marketing programs will support business development in the second half of the year.

The Directors do not recommend the payment of an interim dividend.

## **BY ORDER OF THE BOARD**

**W Jumba**  
**Company Secretary**  
**29 February 2012**