

WILLIAMSON TEA KENYA LIMITED
AUDITED RESULTS FOR THE 12 MONTHS ENDED 31 MARCH 2013

Website: www.williamsontea.com

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | 31.03.2013 Kshs'000 | 31.03.2012 Kshs'000 |
|--|------------------------|------------------------|
| Turnover | 3,490,681 | 3,607,409 |
| Profit from operations before tax | 863,292 | 729,500 |
| Increase in fair value of biological assets | 202,557 | 440,944 |
| Finance costs | (11,265) | (51,480) |
| Share of results of associated Companies | 101,176 | 44,535 |
| Profit before taxation | 1,155,760 | 1,163,499 |
| Tax charge | (300,101) | (308,759) |
| Profit for the year | 855,659 | 854,740 |
| Attributable to: | | |
| Equity Holders of the parent | 826,288 | 820,822 |
| Non-controlling interest | 29,371 | 33,918 |
| Profit after tax attributable to members | 855,659 | 854,740 |
| Comprising: | | |
| Profit arising from operating activities | 694,435 | 537,723 |
| Profit arising from changes in fair value of biological assets | 131,853 | 283,099 |
| Non-controlling interest | 29,371 | 33,918 |
| | 855,659 | 854,740 |
| Issued Shares of Kshs 5 each | 8,756,320 | 8,756,320 |
| Earnings per share (Kshs) | 94.36 | 93.74 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Share Capital Kshs'000 | Revaluation Reserves Kshs'000 | Revenue Reserves | | | Non-controlling Interest Kshs'000 | Total Kshs'000 |
|---|------------------------------|-------------------------------------|---|-------------------|-------------------|---|-------------------|
| | | | Biological Assets gains/(losses) Kshs'000 | Other Kshs'000 | Total Kshs'000 | | |
| Balance at 1 April 2011 | 43,782 | 239,867 | 948,532 | 2,904,799 | 3,853,331 | 134,248 | 4,271,228 |
| Total comprehensive income for the year | | 368,968 | 283,099 | 537,723 | 820,822 | 33,918 | 1,223,708 |
| Excess depreciation transfer | | (31,483) | | 31,483 | 31,483 | | - |
| Deferred tax on excess depreciation | | 9,445 | - | (9,445) | (9,445) | | - |
| Final Dividends declared-2011 | | | | (109,454) | (109,454) | | (109,454) |
| Interim dividends paid-2012 | | | - | (437,816) | (437,816) | (2,610) | (440,426) |
| | | - | - | | - | | - |
| Balance at 31 March 2012 | 43,782 | 586,797 | 1,231,631 | 2,917,290 | 4,148,921 | 165,556 | 4,945,056 |
| Balance at 1 April 2012 | 43,782 | 586,797 | 1,231,631 | 2,917,290 | 4,148,921 | 165,556 | 4,945,056 |
| Total comprehensive income for the year | | 126,000 | 131,853 | 694,435 | 826,288 | 29,371 | 981,659 |
| Excess depreciation transfer | | (109,929) | | 109,929 | 109,929 | | - |
| Deferred tax on excess depreciation | | 32,979 | - | (32,979) | (32,979) | | - |
| Final Dividends declared-2012 | | | | (65,672) | (65,672) | (2,786) | (68,458) |
| | | - | - | | - | | - |
| Balance at 31 March 2013 | 43,782 | 635,847 | 1,363,484 | 3,623,003 | 4,986,487 | 192,141 | 5,858,257 |

COMMENTARY ON THE RESULTS

The year under review saw reasonable weather conditions, albeit two significant hailstorms in April and August 2012, which resulted in a reduction of our own crop. This not withstanding, the rainfall throughout the year ensured that the crop remained high in the last quarter and contributed significantly to the results.

DIVIDEND

In view of the favourable results, the Directors recommend a final dividend of KShs 7.50 per share (2012 - KShs 7.50) to be approved at the forthcoming Annual General Meeting. The final dividend if approved will accrue to those members on the register at close of business on 25th June 2013. The register will remain closed from 26th June to 2nd July 2013 both days inclusive with the dividend being paid thereafter net of withholding tax as applicable.

PROSPECTS

The weather conditions continue to be unpredictable. In addition to uncertain market demand, foreign exchange fluctuations and the ever increasing costs of production, the impact of the new County Governments and the new Agricultural and Fisheries board may adversely affect the performance and profitability of the Group in the forthcoming financial year.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Sixty third ANNUAL GENERAL MEETING of the Shareholders will be held at the Nairobi Club, Ngong Road, on Thursday 27th June 2013 at 10.00 a.m for the following purpose:

- 1) To receive and adopt the report of the directors together with the audited financial statements for the year ended 31 March 2013.
- 2) To declare dividend
- 3) To elect directors:
 - i) In accordance with Article 108 of the Company's Articles of Association, Mr. Philip Magor retires by rotation and offers himself for re-election.
 - ii) In accordance with Article 108 of the Company's Articles of Association, Mr. Ezekiel Wanjama retires by rotation and offers himself for re-election.
 - iii) In accordance with Article 114 of the Company's Articles of Association, Mr. Mathew Koech, a director appointed to fill a casual vacancy retires at the meeting and being eligible, offers himself for re-election.
 - iv) In accordance with Article 114 of the Company's Articles of Association, Mr. J . P Brooks, a director appointed to fill a casual vacancy retires at the meeting and being eligible, offers himself for re-election.
- 4) To approve the remuneration of the directors.
- 5) To authorise the directors to reappoint /appoint Auditors and agree their remuneration.
- 6) Any other such business of which notice has duly been served.

G K MASAKI
COMPANY SECRETARY
THURSDAY, MAY 30, 2013

The above extract is based on the Financial Statements of Williamson Tea Kenya Group for the year ended 31 March 2013 as audited by Deloitte & Touche who have issued an unqualified report. The Financial Statements have been prepared in accordance with the International Financial Reporting Standards. The Group's annual reports and press release of the annual results can be accessed at the Company's website: www.williamsontea.com

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | 31.03.2013 Kshs'000 | 31.03.2012 Kshs'000 |
|---------------------------------|------------------------|------------------------|
| Capital and reserves | | |
| Share Capital | 43,782 | 43,782 |
| Revaluation reserves | 635,847 | 586,797 |
| Revenue reserves | 4,986,487 | 4,148,921 |
| | 5,666,116 | 4,779,500 |
| Non-controlling interest | 192,141 | 165,556 |
| Total Equity | 5,858,257 | 4,945,056 |
| Non current liabilities | | |
| Deferred Taxation | 1,245,530 | 1,115,144 |
| Employee benefit obligations | 181,428 | 159,859 |
| Borrowings & Finance lease | - | 5,965 |
| | 1,426,958 | 1,280,968 |
| | 7,285,215 | 6,226,024 |
| REPRESENTED BY: | | |
| Non current assets | | |
| Property , Plant and Equipment | 1,720,640 | 1,480,897 |
| Intangible assets | 3,746 | 2,045 |
| Prepaid Operating Lease Rentals | 76,794 | 76,878 |
| Investments | 874,305 | 795,315 |
| Biological Assets | 2,663,985 | 2,440,869 |
| | 5,339,470 | 4,796,004 |
| Current assets | | |
| Inventories | 615,738 | 357,901 |
| Trade and other receivables | 873,471 | 1,215,558 |
| Associated companies | 90,343 | 85,005 |
| Taxation | 6,469 | 34,242 |
| Short Term deposits | 798,239 | 630,339 |
| Bank & Cash | 300,104 | 124,178 |
| | 2,684,364 | 2,447,223 |
| Current liabilities | | |
| Trade and other payables | 686,309 | 926,666 |
| Associated companies | 4,750 | 4,256 |
| Taxation | 41,527 | 1,164 |
| Borrowings & finance leases | 6,033 | 85,117 |
| | 738,619 | 1,017,203 |
| | 7,285,215 | 6,226,024 |

CONSOLIDATED STATEMENT OF CASHFLOWS

| | 31.03.2013 Kshs'000 | 31.03.2012 Kshs'000 |
|--|------------------------|------------------------|
| Operating activities | | |
| Cash generated from operations | 705,301 | 396,724 |
| Interest paid | (2,690) | (4,072) |
| Interest received | 77,461 | 103,119 |
| Taxation Paid | (125,500) | (261,203) |
| | 654,572 | 234,568 |
| Investing activities | | |
| Purchase of Plant and equipment | (148,028) | (221,890) |
| Purchase of intangible assets | (3,030) | (1,781) |
| Proceeds from disposal of plant and equipment | 5,169 | 12,700 |
| Expenditure on biological assets | (20,559) | (28,431) |
| Proceeds from disposal of investment property and associated company | - | 452,665 |
| Dividend from - Associated company | 11,607 | 11,607 |
| - other | - | - |
| | (154,841) | 224,870 |
| Financing Activities | | |
| Loans repaid | - | (19,031) |
| Asset finance loans repaid | (27,657) | (36,052) |
| Dividends paid to shareholders | (65,747) | (547,239) |
| Dividend paid to minority interest | (2,786) | (2,610) |
| | (96,190) | (604,932) |
| Increase in cash and cash equivalents | 403,541 | (145,494) |
| Movement in cash and cash equivalents | | |
| At 1 April | 694,802 | 840,296 |
| Increase/(decrease) | 403,541 | (145,494) |
| At 31 March | 1,098,343 | 694,802 |
| Cash and Bank balances | 300,104 | 124,178 |
| Short term deposits | 798,239 | 630,339 |
| Bank Overdraft | - | (59,715) |
| | 1,098,343 | 694,802 |

KAPCHORUA TEA COMPANY LIMITED
AUDITED RESULTS FOR THE 12 MONTHS ENDED 31 MARCH 2013

Website: www.williamsontea.com

STATEMENT OF COMPREHENSIVE INCOME

| | 31.03.2013 Kshs'000 | 31.03.2012 Kshs'000 |
|--|------------------------|------------------------|
| Turnover | 1,353,206 | 1,406,794 |
| Profit from operations before tax | 161,143 | 99,063 |
| Increase in fair value of biological assets | 81,808 | 6,154 |
| Finance income | 12,802 | 7,359 |
| Profit before taxation | 255,753 | 112,576 |
| Tax charge | (76,035) | (34,608) |
| Profit for the year | 179,718 | 77,968 |
| Comprising: | | |
| Profit arising from operating activities | 122,452 | 73,660 |
| Profit arising from changes in fair value of biological assets | 57,266 | 4,308 |
| | 179,718 | 77,968 |
| Issued Shares of Kshs 5 each | 3,912,000 | 3,912,000 |
| Earnings per share (Kshs) | 45.94 | 19.93 |

STATEMENT OF CHANGES IN EQUITY

| | Share Capital Kshs'000 | Revaluation Reserves Kshs'000 | Revenue Reserves | | | Total Kshs'000 |
|---|------------------------------|-------------------------------------|---|-------------------|-------------------|-------------------|
| | | | Biological Assets gains/(losses) Kshs'000 | Other Kshs'000 | Total Kshs'000 | |
| Balance at 1 April 2011 | 19,560 | 85,952 | 394,277 | 476,608 | 870,884 | 976,397 |
| Total comprehensive income for the year | | 108,610 | 4,308 | 73,660 | 77,968 | 186,578 |
| Excess depreciation transfer | | (8,865) | - | 8,865 | 8,865 | - |
| Deferred tax on excess depreciation | | 2,660 | - | (2,660) | (2,660) | - |
| Dividend paid - 2011 | | | - | (29,340) | (29,340) | (29,340) |
| Balance at 31 March 2012 | 19,560 | 188,357 | 398,585 | 527,133 | 925,718 | 1,133,635 |
| Balance at 1 April 2012 | 19,560 | 188,357 | 398,585 | 527,133 | 925,718 | 1,133,635 |
| Total comprehensive income for the year | | | 57,266 | 122,452 | 179,718 | 179,718 |
| Excess depreciation transfer | | (28,449) | - | 28,449 | 28,449 | - |
| Deferred tax on excess depreciation | | 8,535 | - | (8,535) | (8,535) | - |
| Dividend paid - 2012 | | | - | (29,340) | (29,340) | (29,340) |
| Balance at 31 March 2013 | 19,560 | 168,443 | 455,851 | 640,159 | 1,096,010 | 1,284,013 |

COMMENTARY ON THE RESULTS

The year under review saw reasonable weather conditions. There was rainfall throughout the year which ensured the crop levels remained high particularly in the last quarter of the year. This contributed significantly to the results thus increasing the profit from operating activities. Fair value gain on biological assets is not equivalent to cash realised from operations and therefore not distributable to the shareholders.

DIVIDEND

In view of the favourable results, the Directors recommend a final dividend of KShs 7.50 per share (2012 - KShs 7.50) to be approved at the forthcoming Annual General Meeting. The final dividend if approved will accrue to those members on the register at close of business on 25th June 2013 The register will remain closed from 26th June to 2nd July 2013 both days inclusive with the dividend being paid thereafter net of withholding tax as applicable.

PROSPECTS

The weather conditions continue to be unpredictable where rainfall is unevenly distributed. In addition to the uncertain market demand, foreign exchange fluctuations and the ever increasing costs of production, the impact of the new County Governments and the new Agricultural and Fisheries board may adversely affect the performance and profitability of the company in the forthcoming financial period.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Sixty fourth ANNUAL GENERAL MEETING of the Shareholders will be held at the Nairobi Club, Ngong Road, on Thursday 26th June 2013 at 10.00 a.m for the following purpose:

- 1) To receive and adopt the report of the directors together with the audited financial statements for the year ended 31 March 2013.
- 2) To declare dividend
- 3) To elect directors:
 - i) In accordance with Article 95 of the Company's Articles of Association, Mr. Philip Magor retires by rotation and offers himself for re-election.
 - ii) In accordance with Article 95 of the Company's Articles of Association, Mr. Anthony Marsh retires by rotation and offers himself for re-election.
 - iii) In accordance with Article 99 of the Company's Articles of Association, Mr. Mathew Koech, a director appointed to fill a casual vacancy retires at the meeting and being eligible, offers himself for re-election.
- 4) To approve the remuneration of the directors.
- 5) To authorise the directors to reappoint /appoint Auditors and agree their remuneration.
- 6) Any other such business of which notice has duly been served.

G K MASAKI
COMPANY SECRETARY
THURSDAY, MAY 30, 2013
The above extract is based on the Financial Statements of Kapchorua Tea Company Limited for the year ended 31 March 2013 as audited by Deloitte & Touche who have issued an unqualified report. The Financial Statements have been prepared in accordance with the International Financial Reporting Standards. The Company's annual reports and press release of the annual results can be accessed at the Company's website: www.williamsontea.com

STATEMENT OF FINANCIAL POSITION

| | 31.03.2013 Kshs'000 | 31.03.2012 Kshs'000 |
|---------------------------------|------------------------|------------------------|
| Capital and reserves | | |
| Share Capital | 19,560 | 19,560 |
| Revaluation reserves | 168,443 | 188,357 |
| Revenue Reserves | 1,096,010 | 925,718 |
| Shareholders funds | 1,284,013 | 1,133,635 |
| Non current Liabilities | | |
| Deferred Taxation | 318,739 | 296,218 |
| Employee benefit obligations | 86,738 | 76,149 |
| | 405,477 | 372,367 |
| | 1,689,490 | 1,506,002 |
| REPRESENTED BY | | |
| Non current assets | | |
| Property , Plant and Equipment | 418,509 | 460,977 |
| Prepaid Operating Lease Rentals | 21,693 | 21,717 |
| Intangible Assets | 255 | 565 |
| Investments | 717 | 717 |
| Biological Assets | 813,964 | 726,731 |
| | 1,255,138 | 1,210,707 |
| Current Assets | | |
| Inventories | 193,376 | 127,374 |
| Trade and other receivables | 314,439 | 427,509 |
| Due from related companies | 4,750 | 4,256 |
| Tax recoverable | - | 2,330 |
| Short Term deposits | 181,788 | 165,837 |
| Bank & Cash | 128,984 | 24,884 |
| | 823,337 | 752,190 |
| Current Liabilities | | |
| Trade and other payables | 284,987 | 371,890 |
| Due to related companies | 90,344 | 85,005 |
| Taxation | 13,654 | - |
| | 388,985 | 456,895 |
| | 1,689,490 | 1,506,002 |

STATEMENT OF CASH FLOWS

| | 31.03.2013 Kshs'000 | 31.03.2012 Kshs'000 |
|---|------------------------|------------------------|
| Operating activities | | |
| Cash generated from operations | 207,584 | 160,104 |
| Interest paid | (290) | (415) |
| Interest received | 13092 | 7774 |
| Tax Paid | (37,530) | (8,082) |
| | 182,856 | 159,381 |
| Investing activities | | |
| Purchase of Plant and equipment | (31,741) | (85,731) |
| Purchase of intangible assets - computer software | - | (348) |
| Proceeds from disposal of Plant and Equipment | 2,026 | - |
| Dividends received | 3 | 3 |
| Expenditure on biological assets | (3,706) | (2,757) |
| | (33,418) | (88,833) |
| Financing activities | | |
| Loans repaid | - | (988) |
| Net finance lease obligations | - | (3,727) |
| Dividends paid | (29,387) | (29,159) |
| | (29,387) | (33,874) |
| Increase in cash and cash equivalents | 120,051 | 36,674 |
| Movement in cash and cash equivalents | | |
| At 1 April | 190,721 | 154,047 |
| Increase | 120,051 | 36,674 |
| At 31 March | 310,772 | 190,721 |
| Cash and Bank balances | 128,984 | 24,884 |
| Short term deposits | 181,788 | 165,837 |
| | 310,772 | 190,721 |