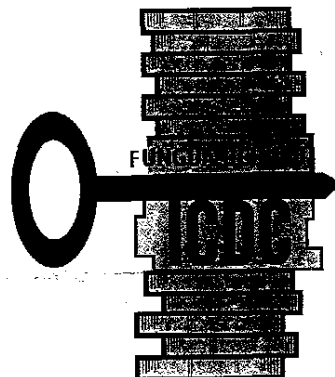


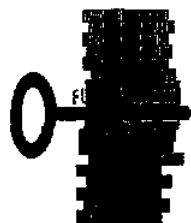
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**ANNUAL REPORT AND ACCOUNTS
for the year ended 30th June, 1997**

**RIPOTI NA HESABU
za mwaka uliomalizikia tarehe Juni, 30, 1997**

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ICDC INVESTMENT COMPANY LIMITED

CORPORATE INFORMATION

MAELEZO JUUYA KAMPUNI

DIRECTORS:

Mr. E. I. Manasseh, O.G.W. (Chairman and Managing Director),
representing Industrial and Commercial Development Corporation,
Mrs. M. Mwangola,
Mr. F. M. Thuo,
Mr. J.P.N. Simba, O.G.W., M.B.S.
The Permanent Secretary, Ministry of Commerce and Industry,
Mr. S.O. Ayodo, E.G.H.,
Mrs. N.J. Ngigi,

SECRETARY AND REGISTERED OFFICE:

Mr. B. K. Murage,
Uchumi House,
Aga Khan Walk,
P.O. Box 45519,
NAIROBI.

BANKERS:

National Bank of Kenya Limited,
National Bank Building,
Harambee Avenue,
P.O. Box 41862,
NAIROBI.

Kenya Commercial Bank Limited,
Kencorn House,
Moi Avenue,
P.O. Box 30081,
NAIROBI.

AUDITORS:

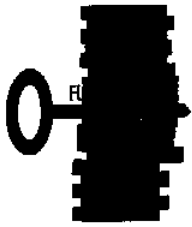
Messrs Nyaga Associates & Company,
Certified Public Accountants of Kenya,
Development House,
Moi Avenue,
P.O. Box 41868,
NAIROBI.

STOCK BROKERS:

Messrs Francis Thuo & Partners Limited,
International House,
Mama Ngina Street,
P.O. Box 46524,
NAIROBI.

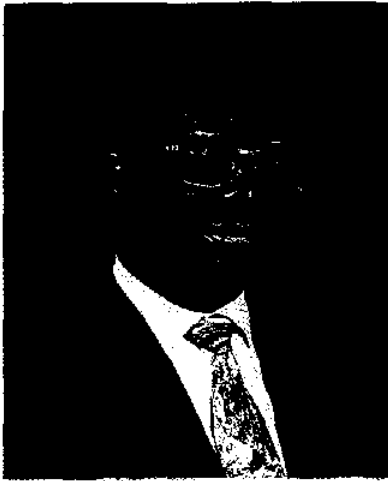
ADVOCATES:

Messrs Oraro and Rachier,
Jubilee Place, 5th Floor,
Mama Ngina Street,
P.O. Box 51236,
NAIROBI.



**ICDC
INVESTMENT COMPANY
LIMITED**

BOARD OF DIRECTORS
HALMASHAURI YA WAKURUGENZI



Mr. E. I. Manasseh, O.G.W.
(Chairman & Managing Director)



Mrs. M. Mwangola



Mr. F.M. Thuo



Mr. J.P.N. Simba
O.G.W., M.B.S.



Mr. M.C. Gitari
*(Alt. to the Permanent Secretary,
Min. of Commerce & Industry)*



Mr. S.O. Ayodo, E.G.H.



Mrs. N.J. Ngigi



Mr. B. K. Murage
(Company Secretary)



ICDC INVESTMENT COMPANY LIMITED

NOTICE OF ANNUAL GENERAL MEETING TO ALL THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 30th Annual General Meeting of the Company will be held on Saturday, 20th December, 1997 at the Tsavo Room, Nairobi Hilton Hotel, Nairobi at 11.00 a.m. for the purpose of transacting the following business:-

ORDINARY BUSINESS

1. The Secretary to read the notice convening the meeting.
2. To confirm the minutes of the 29th Annual General Meeting held on Friday 20th December, 1996.
3. To receive and to consider the Audited Accounts for the financial year ended 30th June, 1997 together with the Directors and Auditors reports thereon.
4. To confirm the payment of the Interim Dividend of Shilling 2.00 per share and declare a Final Dividend of Shilling 2.00 per share in respect of the year ended 30th June, 1997.
5. To approve the Directors' remuneration for the year ended 30th June, 1997.
6. To elect Directors in accordance with the Company's Articles of Association.
7. To authorise the Directors to fix the remuneration of the Auditors.
8. To transact any other ordinary business

BY ORDER OF THE BOARD

B.K. MURAGE
COMPANY SECRETARY
NAIROBI.

3RD NOVEMBER, 1997

NB: A member entitled to attend and vote at this meeting is entitled to appoint a proxy who need not be a member of the company.

ILANIYA MKUTANO WA MWAKA KWA WENYEHISA WOTE

ILANI INATOLEWA KWAMBA MKUTANO MKUU wa Thelathini wa Kampuni hii utafanywa Jumamosi tarehe Desemba, 20, 1997 katika Chumba ya Tsavo, Nairobi Hilton Hotel, Nairobi saa tano kamili asubuhi kwa madhumuni ya kutekeleza shughuli zifuatazo:

SHUGHULI ZA KAWAIDA

1. Kusoma ilani iliyoitisha mkutano.
2. Kuthibitisha kumbukumbu za mkutano wa mwaka wa Ishirini na Tisa uliofanywa Ijumaa tarehe Desemba, 20, 1996.
3. Kupokea na kufikiria Hesabu zilizokaguliwa za mwaka uliomalizikia tarehe Juni, 30, 1997 na Ripoti za Wakurugenzi na Wakaguzi wa Hesabu
4. Kuthibitisha malipo ya Mgao wa Muda wa shilingi 2.00 kwa kila hisa na kuamua malipo ya Mgao wa Mwisho wa shilingi 2.00 kwa kila hisa kwa mwaka uliomalizikia tarehe Juni, 30, 1997.
5. Kutoa kibali kuhusu Ujira wa Wakurugenzi wa mwaka uliomalizikia tarehe Juni, 30, 1997.
6. Kuwachagua Wakurugenzi kwa mujibu wa Kanuni za Kampuni hii.
7. Kuidhinisha Wakurugenzi waweke kipimo kwa ada ya Wakaguzi wa Hesabu.
8. Kujadili mambo mengine yoyote yanayohusu shughuli za Kampuni na yasiyohitaji ilani maalum.

KWA AMRI YA HALMASHAURI YA WAKURUGENZI

B.K. MURAGE
KATIBU
NAIROBI.
NOVEMBA 3, 1997

KUMBUSHO:

Mwanachama anayestahili kuhudhuria na kupiga kura kwenye mkutano huu ana haki kumteua mwakilishi kuhudhuria na kupiga kura kwa niaba yake. Mwakilishi huyo si lazima awe mwanachama wa kampuni hii.



ICDC INVESTMENT COMPANY LIMITED

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 30TH JUNE, 1997

It gives me much pleasure to present the Annual Report and Audited Accounts of your Company for the financial year ended 30th June, 1997.

RESULTS

The Company reported a Gross Income of KShs. 128.95 million as compared to KShs. 132.94 million for the previous year, a decrease of KShs. 3.99 million (3%). This marginal decrease is largely attributed to a reduction in Dividend Income.

The Net Profit after tax for the year was KShs. 108.69 million as compared to KShs. 114.28 million for the previous year, a decrease of KShs. 5.59 million (4.89%). This decrease is largely attributed to a reduction in the Dividend Income as stated above. It is also partly attributed to underprovisions of Tax payable for 1993-1995 as well as a slight increase in Operating Expenses during the year under review.

BONUS ISSUE OF SHARES AND DIVIDENDS

As you are all no doubt aware, at your Company's Extra Ordinary General Meeting held on 14th August, 1997, the Shareholders approved an increase in the Authorised Share Capital from KShs. 100 million to KShs. 300 million. The Shareholders also approved an increase in the Issued and paid up share capital from KShs. 94.18 million to KShs. 141.27 million through the Capitalisation of KShs. 47.09 million from the Retained Profits Account and Bonus Issue of One Ordinary Share for every two (1:2) Ordinary Shares which Bonus Share were issued to all the Shareholders that appeared in the Members Register as at 2nd October, 1997.

In view of the fairly good results for the year under review, your Board of Directors declared and paid an Interim Dividend of KShs. 2.00 (40%) per share (1996-40%) on the 13th June, 1997. The Board of

TAARIFA YA MWENYEKITI YA MWAKA ULIOISHA MNAMO TAREHE JUNI 30, 1997



Mr. E. I. Manasseh, O.G.W.
(Chairman & Managing Director)

Ni turaha yangu kutoa Ripoti ya kila mwaka na Hesabu zilizokaguliwa za kampuni yenu kuhusu mwaka uliomalizikia tarehe Juni 30, 1997.

MATOKEO

Kampuni iliweza kupata Faida ya jumla ya shilingi milioni 128.95 ikilinganishwa na shilingi milioni 132.94 mwaka uliopita, upunguo wa shilingi milioni 3.99 (yaani asilimia 3). Ukingo wa upunguo huo umesababishwa zaidi na kupunguka kwa Mapato ya Migao.

Faida halisi mwaka huu ilikuwa shilingi milioni 108.69 ikilinganishwa na shilingi milioni 114.28 ya mwaka uliopita, upunguo wa shilingi milioni 5.59 (yaani asilimia 4.89). Upunguo huo umesababishwa zaidi na kupunguka kwa mapato ya migao kama nilivyowaeleza hapo mbeleni. Vilevile umesababishwa na kodi iliyodaiwa kulipwa ya mwaka 1993 hadi 1995 pia na kiasi kidogo cha ongezeko la gharama ya utendaji katika mwaka huu.

HISA ZA BAKSHISHI NA MIGAO

Kama mnavyo fahamu bila shaka, katika mkutano usio wa kawaida uliofanywa manamo tarehe Agosti 14, 1997, wanahisa walipendekeza uongezaji wa rasilimali ya kampuni kutoka shilingi milioni 100 hadi shilingi milioni 300. Wanahisa vilevile walipendekeza ongezeko la rasilimali ya pesa za hisa zilizotolewa na kulipiwa kikamilifu kutoka shilingi milioni 94.18 hadi shilingi milioni 141.28 kwa kutumia Rasilimali ya shilingi milioni 47.09 kutoka kwa faida zilizowekwa za Hesabu na pia Hisa za Bakshishi zilizopeanwa kila hisa moja ya kawaida kwa kila hisa mbili zilizoshikiliwa (yaani 1:2) zilizopeanwa kwa kila mwanchama ambaye ameandikishwa kufikia tarehe Oktoba 2, 1997.

Kwa sababu ya matokeo mazuri mwaka huu tunachunguza, Wakurugenzi wenu walipendekeza na kulipa Mgao wa Kwanza wa shilingi 2.00 (yaani asilimia 40) kwa kila hisa (mwaka wa 1996 asilimia 40) mnamo tarehe Juni 13, 1997.

Vivyo hivyo, Wakurugenzi wenu wamependekeza Mgao wa Mwisho wa shilingi 2.00 (yaani asilimia 40) kwa kila hisa katika ongezeko la rasilimali ya hisa (1996 asilimia



ICDC INVESTMENT COMPANY LIMITED

Directors are now recommending a Final Dividend of Kshs. 2.00 (40%) per share on the increased share capital (1996-50%) making a total dividend of Kshs 4.00 (80%) per share for the year 1997. (1996-90%). However, if the effect of the recent 1:2 Bonus Issue Shares and which are already incorporated in the provision for 1996/97 Final dividend is taken into account, then the equivalent Dividend Per Share as at 30th June, 1997 amounts to Kshs 5.00 (100%).

INVESTMENTS

In their endeavours of looking for good investments opportunities both through the Nairobi Stock Exchange Limited (N.S.E) and in the unquoted market, your Directors purchased additional equity investments amounting to Ksh 13.52 million as compared to Kshs 11.86 million during the previous year, an increase of Kshs. 1.66 million (13.99%).

In line with its well stated policy over the years, the additional investments were undertaken in profitable and dividend paying companies in the quoted as well as in the unquoted companies. The investments stated above were spread in the Financial and Investment, Industrial and Allied as well as the Commercial and Services Sectors of the economy. Your Directors will continue with their efforts in looking for good investments opportunities through the Nairobi Stock Exchange (N.S.E.) as well as in the unquoted market.

FUTURE PROSPECTS

At a Global level, the economic growth during 1996/97 averaged about 4% per annum while that of the Sub-Saharan Africa was about 5% per annum for the same period. The Domestic economy during 1996/97 grew by an average of about 4% per annum while the annualised inflation rate was maintained at slightly above the single digit with the rate averaging about 12.3% per annum as at 30th June, 1997.

Besides, while the interest rates on deposits remained at an average of about 23% per annum, the cost of borrowing funds from the Financial and Investment Sector remained quite high averaging about 30% per annum thereby restricting borrowing by the business community. This no doubt impacted negatively on some of the companies where we have invested

50) na kufanya jumla ya migao mwaka huu kuwa shilingi 4.00 (yaani asilimia 80) kwa kila hisa mwaka huu wa 1997 (mwaka wa 1996 asilimia - 90). Walakini iwapo matokeo ya hisa za Bakshishi zilizopeanwa hivi karibuni za kila hisa moja ya kawaida kwa kila hisa mbili zilizoshikiliwa (yaani 1:2) na ambazo zimewekwa maanani katika hesabu, hivyo basi mgao hadi tarehe Juni 30, 1997 utakuwa sawa na shilingi 5.00 (yaani asilimia 100).

UCHUMISHAJI WA MALI

Katika jitihada za kutafuta uchumishaji wa mali wa kufaa kupitia kwa Soko La Hisa la Nairobi (N.S.E.) na katika Makampuni maalum. Wakurugenzi wenu waliweza kuongeza uchumishaji wa mali ambayo imefikia shilingi milioni 13.52 mwaka huu ikilinganishwa na shilingi milion 11.86 mwaka uliopita, ongezeko la shilingi milioni 1.66 (yaani asilimia 13.99%).

Kwa kufuatana na mashauri yaliyoamriwa mara kwa mara mwaka, Wakurugenzi wenu waliweza kununua zaidi uchumishaji mali kwenye kampuni zinazofanya faida nzuri ya malipo ya migao katika kampuni zilizoorodheshwa katika soko la hisa, na pia kampuni maalum. Uchumishaji mali huu uliotajwa hapo awali ulisambazwa katika sehemu za Fedha. Viwandani na Mashirika ya Biashara. Halmashauri ya Wakurugenzi wenu wanaendelea na jitihada zao za kutafuta njia nzuri za uchumishaji mali kupitia soko la hisa la Nairobi (N.S.E) na katika kampuni maalum.

MATUMAINI YA BAADAYE

Ulimwengu mzima kwa jumla mwaka wa 1996/97 ukuzaji wa kiuchumi ulikuwa karibu wastani asilimia 4 kila mwaka, huku nchi zilizo na jangwa hapa Afrika ukuzaji wa kiuchumi ulikuwa karibu asilimia 5 kwa mwaka kwa muda huo. Ukuzaji wa mali wa kiuchumi katika mwaka wa 1996/97 uliongezeka kwa wastani wa karibu asilimia 4 kila mwaka huku hali ya ongezeko la pesa mwaka huu tuna ochunguza uliweza kudumishwa vizuri. Hali hii ilibaki katika tarakimu moja ambapo kadiri ya wastani ilikuwa karibu asilimia 12.3 kila mwaka kufikia tarehe 30 mnamo Juni, 1997.

Zaidi ya hayo, huku kadiri ya pesa zilizowekwa akiba zikibaki wastani wa karibu asilimia 23 kila mwaka. gharama ya kuomba pesa kutoka Sekta za Fedha na Uchumishaji wa Mali ilibaki juu zaidi wastani wa karibu asilimia 30 kila mwaka kwa hivyo kutatiza ukopeshaji wa pesa kwa wenye biashara. Jambo hili lilisababisha pigo kubwa hasa kati ya kampuni zinginezo ambazo tumehifadi rasilimali ili kupata faida. Kwa sababu hii,

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thereby leading to their reduced profits and dividend pay outs during 1996/97. These trends may not be expected to change much during the coming financial year.

Therefore, given the foregoing, your company is likely to operate within a fairly difficult economic climate in the next financial year but it is expected that due to its well diversified investment portfolio, the results will not be too adversely affected. Besides, your Board, Management and Staff will do all in their power to ensure that these economic challenges are tackled well enough to ensure that a reasonable return on your investment is achieved.

ACKNOWLEDGEMENTS

I wish to take this opportunity to convey my gratitude to the Management and Staff for the commitment and dedication as well as to all our esteemed business associates whose support also contributed to the success of the Company during the year under review. Finally, I wish to convey special thanks to the Industrial and Commercial Development Corporation (I.C.D.C.) for their continued support over the last 30 years running and particularly during the year under review. Last but not least, may I also take this occasion to express my personal indebtedness to my colleagues on the board for their continued wise counsel and invaluable support in the task of overseeing the affairs of your Company during the year.

EDGAR IVAN MANASSEH, O.G.W.
CHAIRMAN AND MANAGING DIRECTOR

NAIROBI

3RD NOVEMBER, 1997

faida na malipo ya migao tunayopata ilipunguka katika mwaka wa 1996/97. Huenda hali hii isibadilike sana kama tunavyo tumaini katika mwaka ujao.

Kwa hiyo, kulingana na maelezo hayo, Kampuni yenu inabashiri kuwa itaendesha biashara wakati wa hali ngumu ya kiuchumi na uchumishaji mali mwaka ujao. Ingawaje tunatumaini kwamba kwa sababu ya uchumishaji wa mali unaoleta faida wa namna mbali mbali matokeo uenda yasibadilike sana. Kwa hayo yote, Wakurugenzi wenu Wasimamizi na Wafanya kazi watafanya vyo vyote wawezavyo kuhakikisha ya kwamba wamekabiliwa vipasavyo na hali hii ya biashara ili kuhakikisha ya kwamba malipo ya maana ya uchumishaji wa mali umepatikana.

SHUKRANI

Ningependa kuchukua nafasi hii kuwashukuru kwa dhati Wasimamizi na Wafanya kazi kwa kufanya kazi kwa bidii na kwa kujitolea. Ningependa pia kuwashukuru wenzetu wote tunaoshirikiana katika biashara ambao himaya yao pia imetuwzesha kuleta mafanikio ya kampuni mwaka huu. Mwisho, ningependa kutoa shukrani mahususi kwa Industrial and Commercial Development Corporation (yaani I.C.D.C.) ambao wamedumish usaidizi wao tangu miaka 30 iliyopita, hasa mwaka huu tunaochunguza.

Kwa kumaliza, ningependa kuchukua nafasi hii kudhihirisha kwa moyo wote shukrani zangu kwa wenzangu wote katika halmasharui ambao wameendelea kunipa mawaidha ya busara na ushirikiano wa kufaa katika jitihada zao za kuhakikisha ya kwamba shughuli za Kampuni yenu zimetimika mwaka huu.

EDGAR IVAN MANASSEH, O.G.W.
MWENYEKITI NA MKURUGENZI MKUU

NAIROBI

NOVEMBA 3, 1997.



**ICDC
INVESTMENT COMPANY
LIMITED**

**REPORT OF THE DIRECTORS
TO THE MEMBERS**

The Directors have pleasure in submitting their Report and Audited Accounts for the year ended 30th June, 1997.

RESULTS	Shs.	Cts.	Shs.	Cts.
Net Profit for the year before tax	111,968,748.15			
From which is deducted tax amounting to	(2,082,923.40)			
Underprovision of Tax Payable for 1993-1995	(1,190,865.00)			
Leaving Profit after taxation			108,694,959.75	
Retained Profit brought forward	201,018,308.45			
Add (Deduct): Write-off of partially cancelled Dividend Income of prior years	(8,337,500.00)		192,680,808.45	
Resulting in Profit available for distribution			301,375,768.20	

DIVIDENDS

Directors recommend: -

- a) Interim Dividend - paid on 13/6/97 of Shs.2.00 per share (37,674,402.00)
- b) Final Dividend - proposed of Shs.2.00 per share (Inclusive of the 1:2 Bonus Issue of Shares) (56,511,602.00) (94,186,004.00)

Leaving Retained Profit to be carried forward of	207,189,764.20
--	----------------

**RIPOTI YA WAKURUGENZI
KWA WANACHAMA**

Wakurugenzi wana furaha kwa kutoa Ripoti yao pamoja na Hesabu zilizokagulia kwa mwaka uliomalizikia tarehe Juni, 30, 1997.

MATOKED	Shs.	Cts.	Shs.	Cts.
Faida Halisi ya mwakani Kabla kodi	111,968,748.15			
Kutokana na hapo tumeondoa kodi ya kiasi cha Kodi ambayo inayodaiwa kulipwa ya 1993-1995	(2,082,923.40)		(1,190,865.00)	
Ikibakisha Faida baada ya kodi Ambayo ina-ongezwa mabaki ya faida ya miaka iliyopita	201,018,308.45		108,694,959.75	
Ongeza (Ondoa): Kufutuliwa mbali kwa sehemu ya mapato ya miaka iliyopita	(8,337,500.00)		192,680,808.45	
Na Kufanya jumla ya Faida za kugawanya za			301,375,768.20	

MIGAO YA FAIDA

Wakurugenzi wapendekeza:

- (a) Mgao wa Kwanza uliolipwa tarehe 13/6/97 wa Shilingi 2.00 kwa kila hisa (37,674,402.00)
- (b) Mgao wa Mwisho wa Shilingi 2.00 kwa kila hisa (Pamoja na bakshishi ya hisa moja kwa kila hisa mbili 1:2) (56,511,602.00) (94,186,004.00)

Na kubakisha Faida Zilizowekwa za	207,189,764.20
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ICDC INVESTMENT COMPANY LIMITED

REPORT OF THE DIRECTORS TO THE MEMBERS *(continued)*

DIRECTORATE

In accordance with Article 88 of the Company's Memorandum and Articles of Association, Mrs. N.J. Ngigi and Mr. J.P.N. Simba, O.G.W., M.B.S. retire by rotation and all being eligible, offer themselves for re-election.

AUDITORS

Messrs Nyaga Associates and Company continue in office in accordance with Section 159 (2) of the Companies Act (Cap. 486)

BY ORDER OF THE BOARD

B.K. MURAGE
COMPANY SECRETARY

NAIROBI
3RD NOVEMBER, 1997.

RIPOTI YA WAKURUGENZI KWA WANACHAMA *(Inaendelea)*

WAKURUGENZI

Kwa mujibu wa masharti ya kampuni Bi. N.J. Ngigi na Bw. J.P.N. Simba, O.G.W., M.B.S., wanastaafu kwa zamu na kwa kuwa wote wanastahili, wanajitolea kwa kuchaguliwa tena.

WAKAGUZI WA HESABU

Wakaguzi wa hesabu, Mabwana Nyaga Associates and Company, wanaendelea na kazi yao kwa kufuata masharti ya Sehemu 159(2) ya sheria za kampuni (sura, 486)

KWA AMRI YA HALMASHAURI YA WAKURUGENZI

B.K. MURAGE
KATIBU

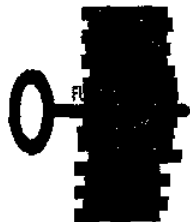
NAIROBI
NOVEMBA 3, 1997

THE REPORT OF THE INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

1. We have audited the financial statements set out on pages 10 to 12 which have been prepared on the basis of the accounting policies set out in Note 1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and to provide a reasonable basis for our opinion. The financial statements are in agreement with the books of accounts.
2. The Directors are responsible for the preparation of financial statements which give a true and fair view of the company's state of affairs and its operating results. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.
3. We conducted our audit in accordance with Kenya Auditing Standards. Those standards require that we plan and perform our audit to obtain reasonable assurance that the accounts are free from material misstatements. An audit includes

RIPOTI YA WAKAGUZI WA HESABU KWA WANACHAMA

1. Tumekagua taarifa za fedha inayopatikana kutoka ukurasa wa 10 hadi 12, iliyotayarishwa kulingana na mashauri ya hesabu inayopatikana katika waraka wa 1. Tulipewa habari na maelezo kamili ambayo kadiri tujuavyo na kutumaini ni muhimu kwa madhumuni ya ukaguzi wetu na maoni yetu. Taarifa za hesabu yanakubaliana na vitabu vya hesabu.
2. Taarifa za fedha ni wajibu wa Wakurugenzi, ambayo inadhihirisha haki na ukweli wa hali ya kampuni kifedha na pia matokeo ya utendaji. Jukumu letu ni kupeana maoni yetu kuhusu taarifa za fedha kulingana na ukaguzi wetu.
3. Tulifanya ukaguzi kulingana na taratibu za kawaida zinazokubaliwa katika ukaguzi wa hesabu nchini Kenya. Hivyo basi, tunahitajika kupanga na kufanya ukaguzi ili kuwe na uwezekano na kupata hakikisho ya kwamba taarifa za fedha sio za kupotosha. Ukaguzi ni lazima uwe na uchunguzi na majaribio ili kupatikane ushahidi wa haki na wa kutosha



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LIMITED**

an examination on a test basis of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies and significant estimates made by the Directors as well as an evaluation of the overall presentation of the financial statements.

4. In our opinion, proper books of accounts have been kept and the financial statements give a true and fair view of the state of the company's financial affairs as at 30th June, 1997 and its profit and cash flows for the year then ended in accordance with Kenya Accounting Standards and comply with the Companies Act (Cap 486).

unaothibitishwa kwenye hesabu, pia ni lazima kuchunguza taratibu zilizotumiwa kwenye hesabu na kama kuna makisio makubwa yaliyofanywa na Wakurugenzi na mwisho, kwa jumla, kuangalia jinsi taarifa haya za fedha yalivyoandaliwa.

4. Kwa maoni yetu, vitabu vya hesabu virnewekwa kwa njia sahihi na taarifa za hesabu yanakubaliana na kudhihirisha haki na ukweli wa hali ilivyo katika kampuni kufikia tarehe Juni 30, 1997. Mapato na matumizi ya fedha ya mwaka ulioisha yanaambatana na taratibu za mashauri ya hesabu hapa Kenya na kukubaliana na Sheria za kampuni (Sura 486).

**NYAGA ASSOCIATES & COMPANY,
CERTIFIED PUBLIC ACCOUNTANTS OF KENYA,
DEVELOPMENT HOUSE, MOI AVENUE,
P.O. Box 41868, NAIROBI.**

**NYAGA ASSOCIATES & COMPANY,
CERTIFIED PUBLIC ACCOUNTANTS OF KENYA,
DEVELOPMENT HOUSE, MOI AVENUE,
S.L.P. 41868, NAIROBI.**

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3RD NOVEMBER, 1997.

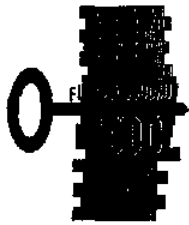
BALANCE SHEET AS AT 30TH JUNE, 1997

ASSETS EMPLOYED	NOTES	1997 Shs. Cts.	1996 Shs. Cts.
Fixed Assets	6	180,000,000.00	80,971,937.70
Investments	7	343,995,518.85	330,473,878.85
Net Current Assets (Liabilities)	8	(9,514,822.20)	(2,175,246.80)
		<u>514,480,696.65</u>	<u>409,270,569.75</u>
FINANCED BY:			
Share Capital	11	94,186,005.00	94,186,005.00
Reserves	12	420,294,691.65	315,084,564.75
		<u>514,480,696.65</u>	<u>409,270,569.75</u>
Shareholders Funds			

The accounts on pages 10 to 12 were approved by the Board of Directors on 15th September, 1997 and the following were authorised to sign them on their behalf:-

E. I. MANASSEH, O.G.W.
CHAIRMAN & MANAGING DIRECTOR

F.M. THUO
DIRECTOR



**ICDC
INVESTMENT COMPANY
LIMITED**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE, 1997**

	NOTES	1997 Shs. Cts.	1996 Shs. Cts.
Turnover from operations		<u>128,951,273.65</u>	<u>132,938,980.20</u>
Profit before Taxation	2	111,968,748.15	116,497,788.95
Taxation	3	<u>(3,273,788.40)</u>	<u>(2,221,558.50)</u>
Profit after Taxation		108,694,959.75	114,276,230.45
Dividends paid and proposed	4	<u>(94,186,004.00)</u>	<u>(84,767,404.50)</u>
Retained Profit for the year		<u>14,508,955.75</u>	<u>29,508,825.95</u>
Earnings per share	5	5.77	6.07

**STATEMENT OF RETAINED
PROFITS**

Retained Profit brought forward	12	201,018,308.45	169,575,619.95
Write-back of unclaimed dividends Nos. 34 to 44 as at 30-6-95		-----	1,933,862.55
Write off to partially Cancelled Dividend Income of Prior Years	13	(8,337,500.00)	-----
Retained Profit for the year		<u>14,508,955.75</u>	<u>29,508,825.95</u>
Retained Profit carried forward		<u>207,189,764.20</u>	<u>201,018,308.45</u>



ICDC INVESTMENT COMPANY LIMITED

CASHFLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 1997.

	NOTES	1997 Shs. Cts.	1996 Shs. Cts.
CASHFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	9	57,385,581.25	142,688,975.30
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Dividends paid to the members of the company		<u>(84,767,404.50)</u>	<u>(75,348,804.00)</u>
Net Cash Outflow from returns on investments and servicing of finance		<u>(84,767,404.50)</u>	<u>(75,348,804.00)</u>
TAXATION			
Income Tax paid		<u>(3,773,390.75)</u>	<u>(2,834,203.10)</u>
INVESTING ACTIVITIES			
Additional purchases of equity investments		(13,521,640.00)	(11,864,200.00)
Additional Professional expenses on Uhuru Highway plot		—	(3,080,000.00)
Net Cashflow (outflow) from Investing Activities		<u>(13,521,640.00)</u>	<u>(14,944,200.00)</u>
NET CASH INFLOW (OUTFLOW) BEFORE FINANCING		<u>(44,676,854.00)</u>	<u>49,561,768.20</u>
FINANCING			
Net Cash inflow (outflow) from financing		—	—
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>(44,676,854.00)</u>	<u>49,561,768.20</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		<u>72,282,378.05</u>	<u>22,720,609.85</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	10	<u>27,605,524.05</u>	<u>72,282,378.05</u>



ICDC INVESTMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 1997

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The company prepares its accounts on historical costs basis modified to include the revaluation of specified leasehold premises.

1.2 DEPRECIATION

Leasehold premises are amortised by equal instalments over the remaining term of the lease.

1.3 DIVIDENDS

Only dividends received or declared and receivable are included in the income for the year.

1.4 CONSOLIDATION

The company has not consolidated the accounts of its subsidiaries as required by Kenya Accounting Standard No. 11 because in the opinion of the directors, the business of the holding company and that of the subsidiaries are so different that they cannot reasonably be treated as a single undertaking.

1.5 BAD AND DOUBTFUL DEBTS

Specific provision is made for all known Bad and Doubtful Debts. Bad Debts are written off when reasonable steps to recover them have been taken without success.

2. PROFIT FOR THE YEAR

	1997 Shs. Cts.	1996 Shs. Cts.
This is stated after charging:		
Directors fees	720,000.00	592,000.00
Management fees (Note 16)	9,050,228.30	9,411,737.10
Auditors' remuneration (including Value Added Tax)	140,350.00	80,500.00
Lease amortisation	10,608.85	10,608.85
And after crediting:		
Dividend Income		
- Quoted	44,155,071.10	41,725,298.60
- Unquoted	77,271,501.85	83,603,863.85



ICDC INVESTMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 1997 (Continued)

	1997 Shs.Cts.	1996 Shs.Cts.
3. TAXATION		
Provision at 35% on the operating profit for the year as adjusted for tax purposes (1996 - 35%)	2,082,923.40	2,221,558.50
Underprovisions of tax payable for 1993-1995	1,190,865.00	-----
	<u>3,273,788.40</u>	<u>2,221,558.50</u>

BALANCE SHEET

Current year's provision	2,082,923.40	2,221,558.50
Underprovisions of tax payable for 1993-1995	1,190,865.00	-----
Instalments paid for the current year and underprovisions of tax for 1993-1995	<u>(3,810,907.90)</u>	<u>(2,259,075.65)</u>
Net Tax payable (Recoverable)	<u>(537,119.50)</u>	<u>(37,517.15)</u>

Tax assessments have been agreed with the Income Tax Department up to and including the year ended 30th June, 1992. From 1st July, 1992 Tax Returns have been filed on self assessment basis. Self Assessment Tax Returns have been filed with the Income Tax Department and the estimated tax (if any) paid up to date.

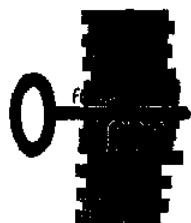
4. DIVIDENDS PAID AND PROPOSED

	1997 Shs.Cts.	1996 Shs.Cts.
Interim Dividend - paid 40% (1996 - 40%)	37,674,402.00	37,674,402.00
Final Dividend - proposed 40 % (Inclusive of the 1:2 Bonus Issue of Shares) (1996 - 50%)	56,511,602.00	47,093,002.50
	<u>94,186,004.00</u>	<u>84,767,404.50</u>

5. EARNINGS PER SHARE

The calculation of Earnings Per Share is based on the following:
Net Operating Profit for the year
Shares in issue at the Balance Sheet Date

	1997	1996
Shs. Cts.		
	<u>108,694,959.75</u>	<u>114,276,230.05</u>
	<u>18,837,201</u>	<u>18,837,201</u>



ICDC INVESTMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 1997 (Continued)

6. FIXED ASSETS

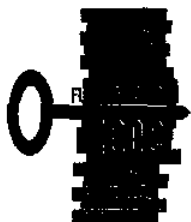
LEASEHOLD PREMISES			
COST OR VALUATION	CONSULATE CHAMBERS Shs. Cts.	UHURU HIGHWAY PLOT Shs. Cts.	TOTAL Shs.Cts.
As at 1.7.96	718,750.00	80,507,800.10	81,226,550.10
Additions			
during the year -Revaluation surplus	<u>29,281,250.00</u>	<u>69,492,199.90</u>	<u>98,773,449.90</u>
As at 30.6.97	<u>30,000,000.00</u>	<u>150,000,000.00</u>	<u>180,000,000.00</u>
DEPRECIATION			
As at 1.7.96	254,612.40	-----	254,612.40
Charge for the year	10,608.85	-----	10,608.85
Write back of accumulated depreciation	<u>(265,221.25)</u>	<u>-----</u>	<u>(265,221.25)</u>
As at 30.6.97	<u>-----</u>	<u>-----</u>	<u>-----</u>
NET BOOKVALUE			
As at 30.6.97	<u>30,000,000.00</u>	<u>150,000,000.00</u>	<u>180,000,000.00</u>
As at 30.6.96	<u>464,137.60</u>	<u>80,507,800.10</u>	<u>80,971,937.70</u>

The Uhuru Highway plot was valued by the I.C.D.C. Professional Valuers for Shs.150 million as at 30th June, 1997 while the Consulate Chambers was valued for Shs. 30 million on the same date using an open market basis and the valuation results have been incorporated in these accounts accordingly. During the year, the accumulated Lease Amortisation on Consulate Chambers was written back to the Revaluation Reserve Account.

7. INVESTMENTS

	1997 Shs. Cts.	1996 Shs. Cts.
Quoted (at cost)	149,146,251.85	145,377,901.85
Less: Provision for loss	<u>(857,851.00)</u>	<u>(857,851.00)</u>
	<u>148,288,400.85</u>	<u>144,520,050.85</u>
Unquoted (at cost)	195,707,118.00	185,953,828.00
Less: Provision for loss	<u>-----</u>	<u>-----</u>
	<u>195,707,118.00</u>	<u>185,953,828.00</u>
Total	<u>343,995,518.85</u>	<u>330,473,878.85</u>

The market value of the quoted investments is based on the middle market price of the Nairobi Stock Exchange as at 30th June, 1997. This was net Shs. 626,589,571.75 (1996 - Shs 430,114,281.35) Unquoted investments were valued by the directors on 30th June, 1997 using net book value basis at net Shs. 815,362,933.65 (1996- Shs 855,062,488.95).



ICDC INVESTMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 1997 (Continued)

8. NET CURRENT ASSETS (LIABILITIES)	1997 Shs. Cts.	1996 Shs. Cts.
CURRENT ASSETS		
Bank balances	<u>27,605,524.05</u>	<u>72,282,378.05</u>
Debtors and prepayments	54,907,684.40	45,389,130.10
Less:	<u>(2,785,403.00)</u>	<u>(2,785,403.00)</u>
Provision for bad and doubtful debts	52,122,281.40	42,603,727.10
Income Tax Recoverable (Note 3)	537,119.50	37,517.15
Dividend Tax Account	<u>47,931,277.55</u>	<u>43,153,514.40</u>
	<u>128,196,202.50</u>	<u>158,077,136.70</u>
CURRENT LIABILITIES		
Industrial and Commercial Development Corporation	5,890,715.15	8,674,499.70
Deposit on Sale of Uhuru Highway Plot	3,080,000.00	15,400,000.00
Creditors and accruals	172,376.90	396,390.05
Compensating Tax Account	47,931,277.55	43,153,514.40
Unclaimed dividends	24,125,053.10	45,534,976.85
Dividends payable- Proposed - Final	56,511,602.00	47,093,002.50
	<u>137,711,024.70</u>	<u>160,252,383.50</u>
NET CURRENT ASSETS (LIABILITIES)	<u>(9,514,822.20)</u>	<u>(2,175,246.80)</u>
9. NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	1997 Shs. Cts.	1996 Shs. Cts.
Net profit before taxation	111,968,748.15	116,497,788.95
ADD (DEDUCT) ITEMS NOT INVOLVING CASH FLOW		
Partially Cancelled Dividend Income of prior years (Note 13)	(8,337,500.00)	-----
Lease amortisation	10,608.85	10,608.85
Provision for loss of investments	-----	857,851.00
Write back of unclaimed dividends Nos. 34 to 44 as at 30.6.95	-----	1,933,862.55
Net Cash Inflow (Outflow) from operating activities	<u>103,641,857.00</u>	<u>119,300,111.35</u>
Net (Increase) Decrease in Debtors and Prepayments excluding Income Tax Recoverable	<u>(14,296,317.45)</u>	<u>(6,130,634.20)</u>



ICDC INVESTMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 1996 (Continued)

9. NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES (Continued)

	1997 Shs. Cts.	1996 Shs. Cts.
Net (Increase) Decrease in Creditors and accruals excluding Taxation payable and proposed Final Dividend for the year	(31,959,958.30)	29,519,498.15
	(46,256,275.75)	23,388,863.95
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES	<u>57,385,581.25</u>	<u>142,688,975.30</u>

10. ANALYSIS OF CASH AND CASH EQUIVALENTS

	1997 Shs. Cts.	1996 Shs. Cts.
Fixed Deposits with the Banks:-		
National Bank of Kenya Ltd., Harambee Avenue, Nairobi.	9,700,000.00	9,113,172.55
East Africa Development Bank Ltd - Bonds	3,950,000.00	-----
Dividend Current Accounts balances with the banks:- Kenya Commercial Bank Ltd., Moi Avenue, Nairobi. Dividend No. 54	82,638.45	186,677.10
National Bank of Kenya Ltd., Harambee Avenue, Nairobi. Div. No. 58 Div. No. 60	----- 11,300,490.95	38,458,857.30 -----
Main Current Account Balance - National Bank of Kenya Ltd., Harambee Avenue, Nairobi.	2,572,394.65	24,523,671.10
	<u>27,605,524.05</u>	<u>72,282,378.05</u>

11. SHARE CAPITAL

	1997 Shs.Cts.	1996 Shs.Cts.
Authorised 20,000,000 Ordinary Shares of par value Shs. 5.00 each	<u>100,000,000.00</u>	<u>100,000,000.00</u>
Issued and Fully paid 18,837,201 Ordinary Shares of par value Shs.5.00 each (1996 - 18,837,201)	<u>94,186,005.00</u>	<u>94,186,005.00</u>



ICDC INVESTMENT COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 1997 (Continued)

12. RESERVES

	SURPLUS ARISING ON REVALUATION Shs. Cts.	SHARE PREMIUM Shs. Cts.	RETAINED PROFIT Shs. Cts.	TOTAL Shs. Cts.
As at 1.7.96	17,674,974.05	96,391,282.25	201,018,308.45	315,084,564.75
Retained profit for the year	-----	-----	14,508,955.75	14,508,955.75
Surplus on Revaluation of Properties	99,038,671.15	-----	-----	99,038,671.15
Write off of partially cancelled dividend income of prior years (Note 13)	-----	-----	(8,337,500.00)	(8,337,500.00)
As at 30.6.97	<u>116,713,645.20</u>	<u>96,391,282.25</u>	<u>207,189,764.20</u>	<u>420,294,691.65</u>
As at 30.6.96	<u>17,674,974.05</u>	<u>96,391,282.25</u>	<u>201,018,308.45</u>	<u>315,084,564.75</u>

13. PARTIALLY CANCELLED DIVIDEND INCOME OF PRIOR YEARS

At their Extraordinary General Meeting held on 5th March, 1997 the Shareholders of Nairobi Bottlers Limited reduced the previously declared dividends not having been paid for both 1994 and 1995 from Kshs. 15.50 per ordinary share to Kshs. 4.00 per ordinary share. The cancelled dividend income dealt with in these accounts amounted to Kshs. 8,337,500.00

14. CAPITAL COMMITMENTS

	1997 Shs. Cts.	1996 Shs. Cts.
Authorised by the Directors and contracted for: Equity in Kenya National Properties Ltd.- 550,000 ordinary shares of par Shs.20.00 each at cost based on the current offer for Shs. 170.00 each plus 1% Stamp Duty (1996 at cost of the previous offer of Kshs. 113.00 each)	<u>94,435,000.00</u>	<u>62,150,000.00</u>
Equity in Kenya Wine Agencies Ltd- 450,000 ordinary shares of par value Shs. 5.00 each at cost of Shs. 11.00 each plus 1% Stamp Duty	<u>4,999,500.00</u>	<u>-----</u>

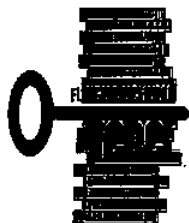
No provision has been made in these accounts for the above commitments

15. CONTINGENT LIABILITIES

There were no Contingent Liabilities as at the Balance Sheet Date

16. MANAGEMENT FEES

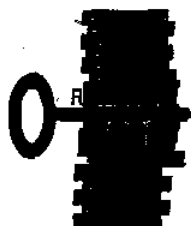
Management fees is payable to the Industrial and Commercial Development Corporation and is agreed at the greater of shs. 2,000,000.00 or 6.5% of the Net Operating Profit for the year before charging such fees. It then incorporates Value Added Tax at 15% of the Management fees payable.



ICDC INVESTMENT COMPANY LIMITED

INVESTMENTS AS AT 30TH JUNE, 1997

QUOTED INVESTMENTS	1997		1996	
	Units	Cost Shs.Cts.	Units	Cost Shs.Cts.
1. Barclays Bank of Kenya Ltd.	238,983	13,030,747.30	238,983	13,030,747.30
2. Brooke Bond Kenya Ltd.	28,970	5,428,024.45	28,970	5,428,024.45
3. B.A.T. Kenya Ltd.	265,174	11,170,422.10	265,174	11,170,422.10
4. B.O.C. Kenya Ltd	18,000	271,625.00	18,000	271,625.00
5. C.F.C. Bank Ltd.	80,000	10,000.00	80,000	10,000.00
6. Crown Berger Kenya Ltd.	83,600	1,369,831.15	83,600	1,369,831.15
7. Diamond Trust Bank Kenya Ltd.	506,071	4,214,163.80	506,071	4,214,163.80
8. East African Cables Ltd	139,850	478,479.25	139,850	478,479.25
9. East African Packaging Industries Ltd.	14,880	104,305.65	14,880	104,305.65
10. Express Kenya Ltd.	18,576	91,468.50	18,576	91,468.50
11. Firestone East Africa (1969) Ltd	30,000	1,065,000.00	30,000	1,065,000.00
12. George Williamson (Kenya) Ltd.	52,392	3,114,530.30	52,392	3,114,530.30
13. Housing Finance Company of Kenya Ltd.	17,833	225,043.05	17,833	225,043.05
14. Jubilee Insurance Company Ltd.	75,109	705,877.45	75,109	705,877.45
15. Kenya Breweries Ltd.	504,438	7,871,092.70	504,438	7,871,092.70
16. Kenya Power and Lighting Company Ltd	178,208	1,119,294.85	59,604	1,119,294.85
17. Kenya Finance Bank Ltd. (In Liquidation)	99,166	857,851.00	99,166	857,851.00
18. Kenya National Mills Ltd.	31,672	898,715.45	23,004	898,715.45
19. Kenya Commercial Bank Ltd.	226,047	6,205,139.40	150,680	2,436,788.40
20. Kenya Airways Ltd.	181,620	2,043,225.00	181,620	2,043,225.00
21. National Bank of Kenya Ltd.	351,835	7,395,163.85	351,835	7,395,163.85
22. National Industrial Credit Bank Ltd.	161,971	768,477.15	129,577	768,477.15
23. Nation Printers & Publishers Ltd.	88,092	3,234,171.30	58,728	3,234,171.30
24. Rea Vipingo Plantations Ltd.	15,000	157,500.00	15,000	157,500.00
25. Sasini Tea & Coffee Ltd.	537,684	6,047,972.60	537,684	6,047,972.60
26. Standard Chartered Bank Kenya Ltd.	219,625	7,479,623.65	219,625	7,479,623.65
27. Total Kenya Limited	66,000	770,065.75	66,000	770,065.75
28. Uchumi Supermarkets Ltd.	9,238,380	63,018,442.15	6,158,920	63,018,442.15
TOTAL QUOTED INVESTMENTS (GROSS)		149,146,251.85		145,377,901.85



**ICDC
INVESTMENT COMPANY
LIMITED**

INVESTMENTS

AS AT 30TH JUNE, 1997. (Continued)

UNQUOTED INVESTMENTS

	1997		1996	
	Units	Cost Shs.Cts.	Units	Cost Shs.Cts.
1. African Retail Traders (Kenya) Ltd.	2,817,200	35,514,381.50	2,817,200	35,514,381.50
2. Chloride Exide Kenya Ltd.	41,157	1,899,990.00	41,157	1,899,990.00
3. Dawa Pharmaceuticals Ltd.	250,000	5,000,000.00	250,000	5,000,000.00
4. East Africa Industries Ltd.	2,077,356	20,319,230.00	2,077,356	20,319,230.00
5. Eveready Batteries (Kenya) Ltd.	21,259	4,030,400.00	876	4,030,400.00
6. Eslon Plastics of Kenya Ltd.	146,561	427,120.00	146,561	427,120.00
7. General Motors Kenya Ltd.	72,675	28,018,435.00	72,675	28,018,435.00
8. Jacaranda Hotel (Mombasa) Ltd.	250,000	5,000,000.00	250,000	5,000,000.00
9. Kenya Wine Agencies Ltd.	24,923,936	12,145,285.00	24,923,936	12,145,285.00
10. Kisii Bottlers Ltd.	333,332	5,333,320.00	333,332	5,333,320.00
11. Kenya National Properties Ltd.	1,015,000	20,300,000.00	1,015,000	20,300,000.00
12. Minet ICDC Insurance Brokers Ltd.	66,466	3,302,921.50	52,733	3,302,921.50
13. Mount Kenya Bottlers Ltd.	500,278	10,005,560.00	467,292	9,345,840.00
14. Mather & Platt (Kenya) Ltd.	10,139	2,118,455.00	7,326	2,020,000.00
15. Nairobi Bottlers Ltd.	725,000	23,014,000.00	725,000	23,014,000.00
16. Nas Airport Services Ltd.	73,056	7,396,470.00	73,056	7,396,470.00
17. Rift Valley Bottlers Ltd.	447,883	1,661,435.00	447,883	1,661,435.00
18. The Raymond Woollen Mills (Kenya) Ltd.	20,625	1,225,000.00	20,625	1,225,000.00
TOTAL UNQUOTED INVESTMENTS (GROSS)		<u>195,707,118.00</u>		<u>185,953,828.00</u>
TOTAL INVESTMENTS		344,853,369.85		331,331,729.85
TOTAL PROVISIONS FOR LOSS OF INVESTMENTS		(857,851.00)		(857,851.00)
TOTAL NET INVESTMENTS		<u>343,995,518.85</u>		<u>330,473,878.85</u>

CMA-LIBRARY



ICDC INVESTMENT COMPANY LIMITED

TEN YEARS FINANCIAL REVIEW (EXPRESSED IN SHS.'000)

RESULTS	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988
Revenue										
(Gross)	<u>128,951</u>	<u>132,939</u>	<u>125,814</u>	<u>97,896</u>	<u>54,365</u>	<u>48,464</u>	<u>45,576</u>	<u>43,129</u>	<u>28,936</u>	<u>33,184</u>
Net Profit after taxation	108,695	114,276	106,710	76,884	44,097	31,230	33,153	34,454	21,587	29,615
Undistributed Profit brought forward	<u>192,681</u>	<u>171,508</u>	<u>143,026</u>	<u>109,320</u>	<u>100,204</u>	<u>106,978</u>	<u>98,311</u>	<u>83,550</u>	<u>73,071</u>	<u>54,779</u>
	301,376	285,784	249,736	186,204	144,301	138,208	131,464	118,004	94,658	84,394
Dividends Paid and Proposed	94,186	84,767	61,221	43,178	31,402	27,563	27,236	19,371	10,500	10,490
Profit Capitalised	-----	-----	18,939	-----	3,473	-----	-----	-----	-----	-----
	<u>94,186</u>	<u>84,767</u>	<u>80,160</u>	<u>43,178</u>	<u>34,875</u>	<u>27,563</u>	<u>27,236</u>	<u>19,371</u>	<u>10,500</u>	<u>10,490</u>
	<u>207,190</u>	<u>201,018</u>	<u>169,576</u>	<u>143,026</u>	<u>109,426</u>	<u>110,645</u>	<u>104,228</u>	<u>98,633</u>	<u>84,158</u>	<u>73,904</u>

ASSETS EMPLOYED:

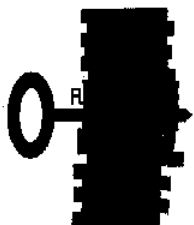
Fixed Assets	180,000	80,972	77,903	64,485	64,496	64,507	46,842	45,867	45,527	27,764
Investments	343,996	330,474	319,468	248,330	241,810	160,701	119,083	94,609	92,511	88,939
Current Assets (Liabilities)	(9,515)	(2,175)	(19,542)	35,282	(4,309)	74,457	109,648	81,011	6,833	12,913
	<u>514,481</u>	<u>409,271</u>	<u>377,828</u>	<u>348,097</u>	<u>301,997</u>	<u>299,665</u>	<u>275,573</u>	<u>221,487</u>	<u>144,871</u>	<u>129,616</u>

FINANCED BY:

Share Capital	94,186	94,186	94,186	78,505	78,505	75,000	75,000	55,345	30,000	30,000
Reserves	<u>420,295</u>	<u>315,085</u>	<u>283,642</u>	<u>257,092</u>	<u>223,492</u>	<u>224,665</u>	<u>200,573</u>	<u>161,142</u>	<u>104,871</u>	<u>94,616</u>
Shareholders' Funds	514,481	409,271	377,828	335,597	301,997	299,665	275,573	216,487	134,871	124,616
Loan Capital	-----	-----	-----	12,500	-----	-----	-----	5,000	10,000	5,000
	<u>514,481</u>	<u>409,271</u>	<u>377,828</u>	<u>348,097</u>	<u>301,997</u>	<u>299,665</u>	<u>275,573</u>	<u>221,487</u>	<u>144,871</u>	<u>129,616</u>

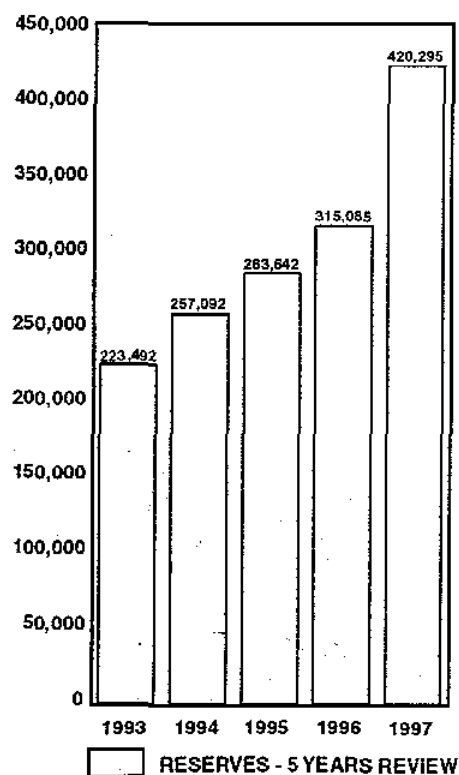
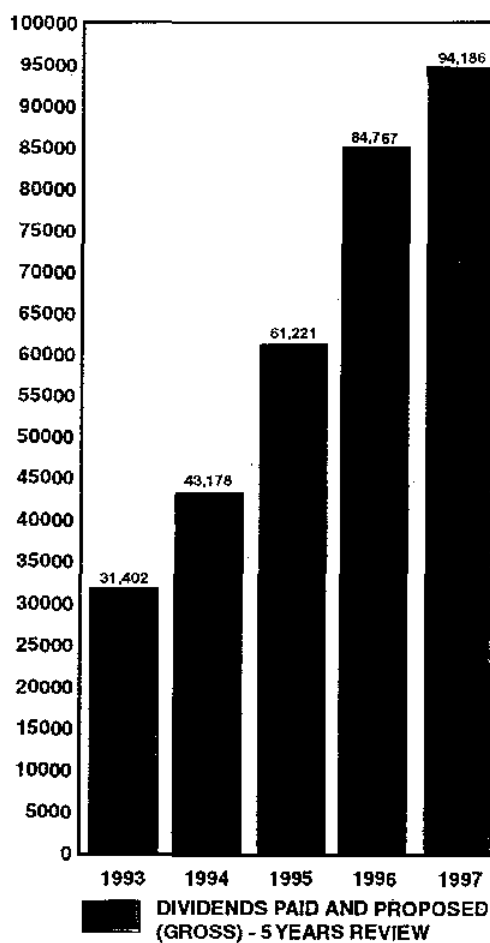
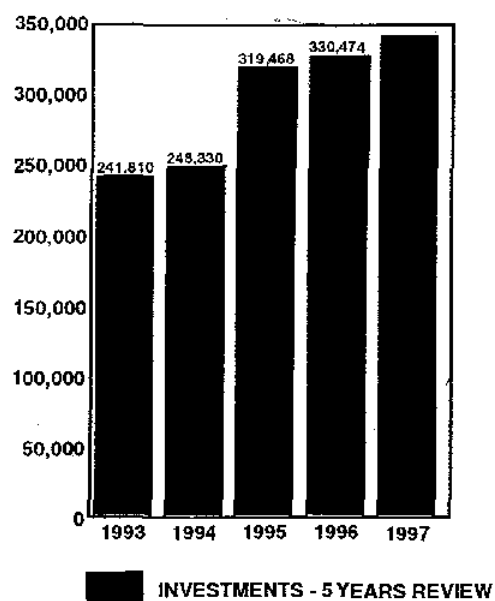
RATIOS EXPRESSED IN SHS. PER SHARE

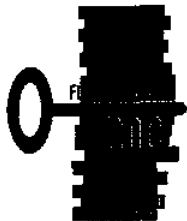
Earnings Per Share	5.77	6.07	5.66	4.89	2.81	2.02	2.21	3.11	3.60	4.87
Dividend Per Share	4.00	4.50	3.25	2.75	2.00	2.00	2.00	1.75	1.75	1.75
Dividend Cover - Times	1.15	1.34	1.74	1.78	1.40	1.13	1.22	1.78	2.05	2.82
Net Asset Value Per Share	27.31	21.73	20.06	21.37	19.25	19.97	18.37	19.55	22.47	20.77



ICDC INVESTMENT COMPANY LIMITED

FIVE YEARS FINANCIAL REVIEW (EXPRESSED IN SHS. '000)





**ICDC
INVESTMENT COMPANY
LIMITED**

PROXY FORM

I/We.....

of.....

being member (s) of ICDC Investment Company Limited, hereby appoint

.....
of.....

or failing him the duly appointed Chairman of the meeting to be my/our proxy, to vote for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on Saturday, 20th December, 1997 at 11.00 a.m. or at any adjournment thereof.

As witness I lay my/our hand(s) this..... day of..... 1997.

Signature.....

- Notes:
1. This proxy form is to be delivered to the Secretary's office not later than 11.00 a.m. on Thursday, 18th December, 1997.
 2. In the case of a Corporation the proxy must be under the Common Seal or under the hand of an Officer or Attorney duly authorised.

FOMUYA MWAKILISHI

Mimi/Sisi.....

wa.....
kwa kuwa mwanachama/wanachama wa ICDC Investment Company Limited ninamteua/tumemteua

wa.....

kama hayuko, Mwenyekiti wa mkutano huu aliyeteuliwa kama ipasavyo awe mwakilishi wangu/wetu, anipigie kura kwa niaba yangu/yetu katika Mkutano Mkuu wa Mwaka wa Thelathini wa kampuni hii utakaofanywa mnamo Jumamosi tarehe Desemba, 20, 1997 saa tano kamili au tarehe yoyote nyingine utakaoahirishwa.

Kama ilivyoshuhudiwa kwa sahihi yangu/yetu siku hii ya

Mwezi wa..... 1997

Sahihi.....

- Maelezo:
1. Uwakilishi huu upelekwe kwenye afisi ya Katibu wa Kampuni kabla ya saa tano kamili asubuhi, Alhamisi tarehe Desemba, 18, 1997, ukikosekana hautakuwa na haki yoyote.
 2. Kwa Shirika, lazima uwakilishi uwe na Muhuri wa kawaida wa shirika hilo au uwe na sahihi ya Afisa au Mwakilishi aliyeidhinishwa.



**ICDC
INVESTMENT COMPANY
LIMITED**

FOLD 2
PILI KUNJA HAPA

STAMP

**THE COMPANY SECRETARY
ICDC INVESTMENT COMPANY LIMITED,
UCHUMI HOUSE,
P.O. Box 45519,
NAIROBI.**

FOLD 1
KWANZA KUNJA HAPA

FOLD 3
HALAFU KUNJA HAPA

**INSERT FLAP INSIDE
SASA INGIZA KARATASI HII
NDANI YA MKUNJO KAMA BAHASHA**