



## EAST AFRICAN CABLES LIMITED

### INTERIM STATEMENT TO SHAREHOLDERS GROUP UNAUDITED RESULTS FOR THE THREE MONTHS ENDED 31ST MARCH 2009

	3 Months Ended 31/03/2009 Kshs '000	3 Months Ended 31/03/2008 Kshs '000
<b>INCOME STATEMENT</b>		
<b>Turnover</b>	<b>911,533</b>	<b>941,899</b>
Profit before tax	172,684	213,902
Taxation	(58,790)	(77,153)
<b>Profit after tax</b>	<b>113,894</b>	<b>136,749</b>
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>Assets</b>		
Non-current assets	1,082,543	952,310
Current assets	1,717,549	1,855,014
	<b>2,800,092</b>	<b>2,807,324</b>
<b>Equity and liabilities</b>		
Share Capital	101,250	101,250
Reserves	928,019	807,887
Minority Interest	233,935	138,028
Proposed dividend	202,500	182,250
Non-current liabilities	613,275	645,039
Current liabilities	721,113	932,870
	<b>2,800,092</b>	<b>2,807,324</b>

#### Commentary

The Group's turnover and profit before tax declined by 3% and 19% respectively below levels achieved the previous year. The global economic recession and the reduction in LME prices have resulted in the reduced turnover. The depreciation of regional currencies, high inflation and energy costs compared to same period last year impacted negatively on our profitability. Aluminium sales volumes to the regional utilities have been slow but the Group recorded an impressive growth in copper volumes in the region.

We remain optimistic on our aluminium business in the coming quarters but the prospects will largely depend on electricity distribution activities within the region and funds available to the utilities concerned. To sustain growth in volumes and profitability, the Group will remain focussed on acquiring greater market share in the region through our expansion programme. Further, focus on process efficiency and strict management of working capital will be maintained. The Board is optimistic that the Group will continue to build long-term sustainable business in this region.

By order of the Board,

Virginia Ndunge  
Company Secretary  
April 14, 2009