



SCANGROUP

GROUP UNAUDITED RESULTS FOR SIX MONTHS PERIOD ENDED 30TH JUNE 2010

all amounts in Ksh'000

Particulars	30th June 2009	30th June 2010	31st December 2009
	(Six months)	(Six months)	(Twelve months)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Billings	2,710,435	3,290,069	5,920,012
Revenues	713,856	816,514	1,624,029
Interest Income	44,170	54,146	92,221
Profit before Taxation	189,689	265,543	544,100
Taxation	(42,902)	(65,253)	(142,952)
Profit for the period after Tax	146,787	200,290	401,148

Other Comprehensive income:

Currency translation differences	5,076	(3,754)	(5,252)
Gains on Revaluation of available for sale assets	7,685	107,623	34,432

Total Comprehensive Income for the period

	159,548	304,159	430,328
Profit after tax attributable to:			
Equity holders of the company	145,206	197,585	398,500
Minority Interest	1,581	2,705	2,648
Total	146,787	200,290	401,148

Total Comprehensive Income attributable to:

Equity holders of the company	157,967	301,454	428,537
Minority Interest	1,581	2,705	1,791
Total	159,548	304,159	430,328

Basic earning per share (EPS) (Ksh)*	0.66	0.90	1.81
Diluted earnings per share (Ksh)**	0.66	0.90	1.81

Weighted average number of shares in issue :	220,689,655 shares	220,689,655 shares	220,689,655 shares
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(*) EPS calculated on Profit after tax attributable to shareholders and based on weighted average number of shares.

(**) Diluted earnings per share is calculated after taking into account 8,146,470 Share Option units outstanding at the end of the period. Each Option unit is equal to one ordinary share in Scangroup Limited.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30th June 2009	As at 30th June 2010	As at 31st December 2009
ASSETS			
Equipment	113,248	107,180	99,771
Goodwill	83,548	83,548	83,548
Other non current assets	- - -	6,333	7,387
Government of Kenya Securities	293,334	636,620	528,997
Current Assets	2,994,990	3,509,442	3,213,445
Total Assets	3,485,120	4,343,123	3,933,148

EQUITY AND LIABILITIES

Share Capital	220,690	220,690	220,690
Share Premium	1,328,105	1,328,105	1,328,105
Revenue Reserve	527,225	867,759	780,519
Investment revaluation reserve ²	7,685	142,055	34,432
Translation Reserve	(435)	(13,660)	(9,906)
Total Shareholders' Fund	2,083,270	2,544,949	2,353,840
Minority Interest	19,963	15,087	12,382
Non-Current Liabilities	2,987	9,795	11,620
Current Liabilities	1,378,900	1,773,292	1,555,306
Total Equity and Liabilities	3,485,120	4,343,123	3,933,148

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	30th June 2009	30th June 2010	31st December 2009
Net cash generated/ (used) from operations	110,844	105,283	306,014
Net cash used in investing activities	(315,129)	38,123	(455,765)
Net cash generated from / (used in) financing activities	(22,741)	(5,297)	(132,530)
Increase / (decrease) in cash and cash equivalents	(227,026)	138,109	(282,281)

Movement in Cash and Cash Equivalent

At the beginning of the period	964,691	676,768	964,691
Increase / (Decrease) during the year	(227,026)	138,109	(282,281)
Effect of exchange rates	5,076	(3,754)	(5,642)
Increase / (Decrease) in cash and cash equivalents	742,741	811,123	676,768

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium account	Revenue Reserve	Investment Revaluation Reserve	Translation Reserve	Minority Interest	Total
As at Dec 2009	220,690	1,328,105	780,519	34,432	(9,906)	12,382	2,366,222
Dividend paid	-	-	(110,345)	-	-	-	(110,345)
Other Comprehensive Income / (Losses)	-	-	-	107,623	(3,754)	-	103,869
Net Profit for the period	-	-	197,585	-	-	2,705	200,290
As at 30th June 2010	220,690	1,328,105	867,759	142,055	(13,660)	15,087	2,560,036
As at Dec 2008	220,690	1,328,105	517,798	-	(5,511)	18,382	2,079,464
Dividend paid	-	-	(135,779)	-	-	-	(135,779)
Other Comprehensive Income / (Losses)	-	-	-	7,685	5,076	-	12,761
Net Profit for the period	-	-	145,206	-	-	1,581	146,787
As at 30th June 2009	220,690	1,328,105	527,225	7,685	(435)	19,963	2,103,233

Selected Explanatory Notes:

1) Basis of preparation

The accounting policies are consistent with those used for the group's 2009 annual financial statements. (which were prepared in accordance with International Financial Reporting Standards).

2) Investment revaluation reserve relates to the unrealised fair value gain on Government of Kenya securities which are classified as available for sale.

DIRECTORS COMMENTS:

Highlights :

Revenues up by 14%
Profit Before Tax up by 40%
Profit After Tax up by 36%

There was a recovery from the general slowdown of advertising expenditure experienced in 2009 as reflected in our billings which grew by 21%. Interest income for the six months period to 30th June 2010 increased by Ksh 10 million over the same period in 2009. Profit before tax increased to Ksh 266 million from Ksh 190 million and profit after tax and minority interest increased to Ksh 200 million registering a 36% increase over the same period in 2009.

Dividends :

The Board of Directors do not recommend an interim dividend for the year 2010.

By Order of the Board

M. M. Kipchumba
Company Secretary

17th August 2010