

UNAUDITED GROUP RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

Nation Media Group PLC

The Directors are pleased to announce the unaudited Group results for the six months ended 30th June 2019.

The Group turnover at Kshs 4.6 billion was 7.0% lower than same period last year while total comprehensive income at Kshs 416.7 million was 8.4% below last year.

The Group performance was adversely impacted by the suppressed economic environment across the region resulting in reduced advertising volumes, increase in global prices of newsprint and investment in new projects. The drop in revenue and increase in direct costs was cushioned by reduction in provision for doubtful debts owing to improved debt collection particularly from Government and cost savings realized from improved efficiency and productivity.

The Group is continuously undertaking initiatives aimed at growing new revenue sources and has recorded significant incremental growth from the new revenue streams compared to same period last year.

The Group also continues to focus on optimizing current operations as well as growing revenue through more differentiated product offering across all platforms to ensure improved performance.

INTERIM DIVIDEND

The Directors have resolved to declare an interim dividend of Kshs.1.50 (60%) per share (2018: Kshs.1.50 per share) for the half year, on the issued share capital of 188,542,286 ordinary shares of Kshs.2.50 each. The total interim dividend payout will amount to Kshs.282.8 million (2018: Kshs.282.8 million).

The dividend will be paid less withholding tax where applicable on or about 30th September 2019, to shareholders registered at the close of business on 13th September 2019.

The register of members will be closed from 16th to 20th September 2019, both dates inclusive.

By order of the Board

J C Kinyua
GROUP COMPANY SECRETARY
28th August 2019

Consolidated Statement of Comprehensive Income

	June 2019 Kshs.million	June 2018 Kshs.million
Turnover	4,580.4	4,923.1
Profit before income tax	580.8	761.8
Income tax expense	(177.1)	(232.6)
Profit after income tax	403.7	529.2
Other comprehensive income	13.0	(74.2)
Total comprehensive income	416.7	455.0
Attributable to:		
Owners of the parent	417.5	453.6
Non controlling interest	(0.8)	1.4
	416.7	455.0
Earnings per share (Kshs)	2.21	2.41
Interim dividend per share (Kshs)	1.50	1.50

Statement of Financial Position

	30th June 2019 Kshs.million	31st December 2018 Kshs.million
Capital and reserves		
Share capital	471.4	471.4
Other reserves	(124.0)	(136.4)
Retained earnings	6,946.7	6,826.0
Proposed dividends	942.7	659.9
	8,236.8	7,820.9
Non controlling interest	57.5	56.7
Total equity	8,294.3	7,877.6
Non-current liabilities	27.8	30.0
	8,322.1	7,907.6
Assets		
Non-current assets	4,598.7	4,770.0
Working capital		
Current assets	7,247.4	6,428.0
Current liabilities	3,524.0	3,290.4
	3,723.4	3,137.6
Net working capital	8,322.1	7,907.6

Condensed Cash flow Statement

	6 months ended 30.06.19 Kshs.million	6 months ended 30.06.18 Kshs.million	12 months ended 31.12.18 Kshs.million
Cash generated from operations	967.6	776.3	1,142.2
Tax paid	(382.0)	(411.4)	(566.6)
Net cash from operating activities	585.6	364.9	575.6
Net cash used in investing activities	141.8	418.7	309.2
Net cash from financing activities	-	-	(1,697.4)
Increase in cash and cash equivalents	727.4	783.6	(812.6)
At start of period	867.1	1,692.6	1,692.6
Exchange gains/(losses) on cash and cash equivalents	6.1	(30.4)	(12.9)
At end of period	1,600.6	2,445.8	867.1

Group Statement of Changes in Equity

	Share capital Kshs m	Other reserves Kshs m	Retained earnings Kshs m	Proposed dividends Kshs m	Minority interest Kshs m	Total equity Kshs m
At start of year	471.4	(136.4)	6,826.0	659.9	56.7	7,877.6
Total Comprehensive income:						
Profit for the period	-	-	403.5	-	0.2	403.7
Other comprehensive income, net of tax						
Currency translation differences	-	12.4	-	-	0.6	13.0
Total other comprehensive income	-	12.4	-	-	0.6	13.0
Total comprehensive income for the period	-	12.4	403.5	-	0.8	416.7
Transaction with owners:						
Dividends						
- interim for 2019 proposed	-	-	(282.8)	282.8	-	-
Total transaction with owners	-	-	(282.8)	282.8	-	-
At end of period	471.4	(124.0)	6,946.7	942.7	57.5	8,294.3