TransCentury
Investing in Africa

TRANSCENTURY LIMITED
GROUP AUDITED RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME:	2013 KShs '000'	2012 KShs '000'
Turnover	11,807,576	13,487,229
Profit from operating activities	**1,535,049**	**1,969,432**
Net finance costs	(676,459)	(742,959)
Profit before income tax	**858,590**	**1,226,473**
Income tax expense	(232,158)	(490,368)
Profit from continuing operations	**626,432**	**736,105**
Profit/(Loss) from discontinued operations(net of tax)	-	4,542
Profit for the year	**626,432**	**740,647**
Other comprehensive income		
Revaluation of property, plant and equipment	268,161	491,164
Deferred tax on revaluation surplus	(81,716)	(138,349)
Net change in fair value of available for sale financial assets	42,594	10,913
Available for sale reserve released on disposal of quoted shares	-	(47,979)
Foreign currency translation differences on foreign operations	(63,058)	(45,122)
Total other comprehensive income	**165,981**	**270,627**
Total comprehensive income for the year	**792,413**	**1,011,274**
Profit after tax is attributable to:		
Equity holders of the company	291,295	455,056
Non-controlling interest	335,137	285,591
Profit for the year	**626,432**	**740,647**
Basic Earnings Per Share	1.06	1.66
Diluted Earnings Per Share	1.06	1.66

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013	2013 KShs '000'	2012 KShs '000'
Assets		
Non-current assets	15,056,039	14,335,987
Current assets	8,784,234	7,509,767
	23,840,273	**21,845,754**
Equity and Liabilities		
Shareholder funds	5,197,400	4,902,963
Non-controlling interest	2,888,986	2,591,078
Convertible bond	5,132,002	4,574,554
Non-current liabilities	4,714,756	3,931,009
Current liabilities	5,907,129	5,846,150
	23,840,273	**21,845,754**

The above results are extracted from the consolidated financial statements of TransCentury Limited for the year ended 31st December 2013, as audited by KPMG Kenya, Certified Public Accountants and on which an unqualified opinion has been given.

OVERVIEW OF 2013 PERFORMANCE

TransCentury Limited ("TCL" or the "Group") is pleased to announce its results for the year ended 31 December 2013. The Group continued to focus on its key strategy of growing the Power business through regional diversification as well as positioning itself as a key player in Infrastructure development (in particular Power Generation, Oil & Gas and Mining sectors) through the Engineering division. The Group's revenues and profit for the year decreased by 12% and 15% respectively mainly attributed to slowed activity in the first half of the year during the general election period in Kenya and delayed execution of several major construction projects. However, a change in business mix in our Engineering division positively impacted margins due to a focus on more specialized projects and margins remained stable in our Power division.

Dividend
The Directors are pleased to recommend a final dividend of KShs 0.40 per share in the forthcoming Annual General Meeting. This final dividend will be paid less withholding tax where applicable on or about 30th June 2014 to members on the Register at the close of business on 13th June 2014. Accordingly the register of members will remain closed on 16th June 2014 for one day for the purpose of dividend calculation.

Post Balance Sheet Events: Sale of Stake in Rift Valley Railways
The Group through its wholly owned subsidiary, Safari Rail Company Limited ("Safari Rail"), disposed of its entire 34% shareholding in KU Railways Holdings Limited ("KURH"), the lead investor in Rift Valley Railways ("RVR") to Africa Railways Limited, a core subsidiary of Citadel Capital on 31st March 2014 by exercising a PUT Option. The decision was made owing to the delayed turnaround of RVR, which meant that this investment failed to meet return targets set by the Group.

As a result, the Group realised USD 43.7m (KES 3.8Bn) from the sale, which saw it recover its entire cash investment in RVR. However, the sale proceeds were below the historical fair value of the investment. The cash realised from the disposal of RVR will be redeployed towards other higher return investment opportunities that will improve both the financial position and future profitability of the Group.

Outlook
The business outlook is positive for our core Power and Engineering businesses with a strong pipeline of projects underway. The Group through its Engineering Division will continue to play a key role in the Oil & Gas, Power Generation and Mining sectors by focusing on building strategic relationships with key stakeholders. In the Power business, the Group will focus on regional diversification and product development to expand its revenue base and enhance the capacity and efficiency of its manufacturing operations. Following the disposal of RVR, the Group will have significant cash to deploy towards new high growth opportunities to support our existing businesses and infrastructure projects within our focus areas.

By Order of the Board
Virginia Ndunge, Company Secretary
16th April 2014