

**Nation Media Group PLC**  
**Audited Group Results for the year ended 31<sup>st</sup> December 2017**

The Directors are pleased to present the Group's audited financial results for the year ended 31<sup>st</sup> December, 2017.

**GROUP RESULTS**

The Group's performance declined compared with the previous year. The adverse performance was mainly attributed to a shortfall in revenue arising from reduced advertising volumes, following low corporate clients activities which were affected by the prolonged election period. The results were also impacted by a deterioration in the credit quality across the Group, as a result of delayed payments particularly from the regional governments. However, the impact of the adverse business environment on the performance, was mitigated by the reorganisation of operations and continued cost management initiatives.

The Group's turnover declined by 6.2% to Kshs.10.6 billion, while the net earnings after tax at Kshs 1.4 billion was 17.4% lower than the prior year. This was after a one-off severance pay of Kshs.259.0 million, following the staff reorganisation.

The Group outlook for 2018 is generally positive, with the regional economies expected to improve, with higher contributions from new revenue streams especially from the digital division and management actions to make the operations more efficient.

**DIVIDENDS**

The Directors recommend the payment of a final dividend of Shs.7.50 per share (300%) on the issued share capital as at 31 December 2017, which together with the interim dividend of Shs.2.50 per share (100%) paid on 30 September 2017, makes a total of Shs.10.00 per share (400%) in respect of the year ended 31 December 2017 (2016: Shs.10.00 per share). The dividend will be paid less withholding tax where applicable on or about 31 July 2018 to shareholders registered on the Register of members at the close of business on 14 June 2018. The Register of members will be closed from 18 to 22 June 2018, both dates inclusive.

**ANNUAL GENERAL MEETING**

The company will hold its Annual General Meeting on 29 June 2018 at 2.00 p.m. in the Amphitheatre at the Kenyatta International Convention Centre, Nairobi.

By order of the Board

**J C Kinyua**  
**COMPANY SECRETARY**

**13<sup>th</sup> April 2018**

**Nation Media Group Limited**  
**Audited Group Results for the Period ended 31 December 2017**

**Condensed Consolidated Statement of Comprehensive Income**  
**for the year ended 31 December**

	2017 Kshs.million	2016 Kshs.million
Revenue	10,624.9	11,324.8
Profit before tax	1,954.6	2,460.0
Income tax expense	(643.8)	(771.1)
<b>Profit for the year</b>	<b>1,310.8</b>	<b>1,688.9</b>
Other comprehensive income/(loss)	40.1	(54.2)
<b>Total Comprehensive Income for the year</b>	<b>1,350.9</b>	<b>1,634.7</b>
<b>Attributable to:</b>		
Equity holders of the Company	1,344.9	1,636.1
Non-controlling interest	6.0	(1.4)
Earnings per share (Kshs)	6.9	8.9
Dividend per share (Kshs)-Ordinary	10.0	10.0

**Condensed Consolidated Statement of Financial Position as at 31 December**

	2017 Kshs.million	2016 Kshs.million
<b>Capital and reserves</b>		
Share capital	471.4	471.4
Other reserves	(72.5)	(112.5)
Retained earnings	6,302.3	6,882.9
Proposed dividends	1,414.1	1,414.1
	<b>8,115.3</b>	<b>8,655.9</b>
Non-controlling interest	51.0	47.0
<b>Total equity</b>	<b>8,166.3</b>	<b>8,702.9</b>
<b>Non-current liabilities</b>	25.9	15.2
	<b>8,192.2</b>	<b>8,718.1</b>
<b>Assets</b>		
<b>Non-current assets</b>		
	5,009.2	5,010.8
<b>Working capital</b>		
Current assets	6,311.1	7,163.3
Current liabilities	3,128.1	3,456.0
<b>Net working capital</b>	<b>3,183.0</b>	<b>3,707.3</b>
	<b>8,192.2</b>	<b>8,718.1</b>

**Condensed Consolidated statement of Cashflows**  
**for the period ended 31 December**

	2017 Kshs.million	2016 Kshs.million
Cash generated from operations	3,296.4	2,245.6
Tax paid	(1,112.4)	(93.4)
<b>Net cash from operating activities</b>	<b>2,184.0</b>	<b>2,152.2</b>
Net cash generated/(used) in investing activities	45.3	(122.5)
Net cash used in financing activities	(1,885.5)	(1,923.6)
<b>Increase in cash and cash equivalents</b>	<b>343.8</b>	<b>106.1</b>
<b>Movement in cash and cash equivalents</b>		
At start of period	1,344.7	1,241.0
Increase in cash and cash equivalent	343.8	106.1
Exchange gain/(loss) on cash and cash equivalents	4.1	(2.4)
<b>At end of period</b>	<b>1,692.6</b>	<b>1,344.7</b>