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TEA PICTORIAL



Tea plucking



Weighment of plucked leaf

2007/0060



Loading of plucked leaf

COMPANY INFORMATION

BOARD OF DIRECTORS

M W Harley (*Chairman*)
N N Merali, *EBS*
I A Timamy, *CPS (Kenya)*
G W Gichuki, *BA (alternate: C G Mwangi)*
M N Omar
A H Butt, *CPA (Kenya), FCCA*
M H Da Gama-Rose, *BA*
D A Schumacher, *BSME (Managing)**
**American*

SECRETARY

I A Timamy, *CPS (Kenya)*

REGISTERED OFFICE

Sasini House
Loita Street
PO Box 30151
Nairobi

AUDITORS

Ernst & Young
Certified Public Accountants of Kenya
PO Box 44286
Nairobi

BANKERS

Barclays Bank of Kenya Limited
Kenya Commercial Bank Limited
First American Bank of Kenya Limited
Equatorial Commercial Bank Limited

NOTICE OF MEETING

Notice is hereby given that the 47th ANNUAL GENERAL MEETING of the members will be held at Grand Regency Hotel, Nairobi on Thursday, 25th February, 1999 at 11.00 am for the following purposes:

1. To confirm the minutes of the 46th Annual General Meeting held on 12th March, 1998.
2. To receive, consider and if deemed fit, adopt the financial statements for the year ended 30th September, 1998 together with the reports thereon of the directors and of the auditors.
3. To confirm the interim dividend of 40% paid on 2nd June, 1998 and to declare a final dividend of 20%.
4. (a) To re-elect Directors:
 - (i) M H Da Gama-Rose, a director retiring by rotation, who, being eligible, offers himself for re-election.
 - (ii) N N Merali, a director retiring by rotation, who, being eligible, offers himself for re-election.
 - (iii) G W Gichuki, a director retiring by rotation, who, being eligible, offers himself for re-election.
 - (iv) M N Omar, a director retiring by rotation, who, being eligible, offers himself for re-election.
 - (v) A H Butt, a director retiring by rotation, who, being eligible, offers himself for re-election.
 - (vi) I A Timamy, a director retiring by rotation, who, being eligible offers himself for re-election.
- (b) Special notice is hereby given pursuant to Section 186(5) of the Companies Act, to consider the following resolution:
"That Mr M W Harley, a director who has attained the age of 71 years, be and is hereby re-elected as a director of the Company."
5. To confirm the Directors' emoluments.
6. To appoint Ernst & Young as auditors for the ensuing year and authorise the Directors to fix their remuneration.
7. To transact any other business which may be transacted at an Annual General Meeting.

By order of the Board

I A TIMAMY

Company Secretary

Nairobi

28th January, 1999

Notes: A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote on his/her behalf, and such a proxy need not be a member of the Company.

The form of proxy is attached on page 31.

The final dividend, if approved, will be paid on or about 5th March, 1999 to the members on the register at close of business on 19th February, 1999.

ILANI YA MKUTANO

Ilani inatolewa hapa kuwa mkutano mkuu wa kila mwaka wa arobaini na saba (47) wa wanachama utafanyika Grand Regency Hotel, Nairobi, Alhamisi, 25 Februari, 1999, saa tano kwa madhumuni yafuatayo:

1. Kuthibitisha mapitisho ya mkutano mkuu wa kila mwaka wa arobaini na sita (46) uliofanyika 12 Machi, 1998.
2. Kupokea, kuchunguza na ikifikiriwa sawa kuidhinisha taarifa za fedha za mwaka uliomalizikia tarehe 30 Septemba, 1998 pamoja na taarifa za wakurugenzi na wakaguzi wa Hesabu kuhusiana na hesabu hizo.
3. Kuidhinisha malipo ya mgawo wa muda wa faida wa asilimia 40 yaliyolipwa tarehe 2 Juni, 1998, na kutangaza mgawo wa faida wa mwisho wa asilimia 20.
4. (a) Kuwachagua tena wakurugenzi:
 - (i) Bw M H Da Gama-Rose, mkurugenzi anayestaafu kwa zamu, na kwa kuwa ana haki ya kuchaguliwa, anagombea kuchaguliwa tena.
 - (ii) Bw N N Merali, mkurugenzi anayestaafu kwa zamu, na kwa kuwa ana haki ya kuchaguliwa, anagombea kuchaguliwa tena.
 - (iii) Bw GW Gichuki, mkurugenzi anayestaafu kwa zamu, na kwa kuwa ana haki ya kuchaguliwa, anagombea kuchaguliwa tena.
 - (iv) Bw M N Omar, mkurugenzi anayestaafu kwa zamu, na kwa kuwa ana haki ya kuchaguliwa, anagombea kuchaguliwa tena.
 - (v) Bw A H Butt, mkurugenzi anayestaafu kwa zamu, na kwa kuwa ana haki ya kuchaguliwa, anagombea kuchaguliwa tena.
 - (vi) Bw I A Timamy, mkurugenzi anayestaafu kwa zamu, na kwa kuwa ana haki ya kuchaguliwa, anagombea kuchaguliwa tena.
- (b) Ilani maalum inatolewa kwa mujibu wa kifungu 186 (5) cha sheria za makampuni, kufikiria pendekezo linalofuata:
"Kwamba Bw M W Harley, mkurugenzi aliyefikisha umri wa miaka 71, achaguliwe na hapa anachaguliwa tena mkurugenzi wa kampuni."
5. Kuidhinisha malipo ya wakurugenzi.
6. Kuwachagua Ernst and Young kama wakaguzi wa hesabu wa mwaka unaofuata na kuwapa wakurugenzi idhini ya kuamua malipo yao.
7. Kushughulikia jambo lingine lolote linaloweza kushughulikiwa katika mkutano mkuu wa kila mwaka.

Kwa Amri ya Halmashauri

I A TIMAMY

Katibu wa Kampuni

Nairobi

28 Januari, 1999

Maelezo: Mwanachama mwenye haki ya kuhudhuria na kupiga kura katika mkutano huu aweza kuchagua mwakilishi kuhudhuria na kupiga kura kwa niaba yake na mwakilishi huyo si lazima awe mwanachama wa kampuni.

Famu ya uakilishi imewekwa ukurasa 31.

Ikiidhinishwa, malipo ya mgawo wa mwisho wa faida, yatalipwa tarehe 5 Machi, 1999 au wakati karibu na hapo na kwa wanachama walio katika orodha ya majina kufikia wakati wa kufunga biashara tarehe 19 Februari, 1999.

CHAIRMAN'S STATEMENT

This was a record-breaking year in many respects. We experienced record levels of rainfall, record prices for both tea and coffee, and record tea production and sales, which led to a record group turnover. I am also pleased to report that our increased profitability will result in a record dividend payout for the company as well.

The weather, always a determining factor in agriculture, was definitely not in favour of our coffee operations this year. Many of our estates received double the average annual rainfall during the year due to the infamous *El Nino* effect. The result was a very pronounced decline in coffee production in line with the national figures of reduced coffee output, offset somewhat by the excellent prices we received for our coffee on the Nairobi Auction.

The significance of the effect of international commodity prices on our profitability became exceptionally evident this year. The volatility of the prices for both commodities was unprecedented in recent years. Tea prices climbed to an all time high in February 1998 only to halve before the end of May and remain at these low levels for the remainder of the financial year. Likewise, coffee prices reached very high levels in January and February of 1998, only to plummet to an extreme low in May and June without any significant recovery by our financial year end. Since the price of our products is the single most influential factor in our profitability, such extreme fluctuations make it difficult to predict with any degree of accuracy the final result of the year at an interim stage.

The second most significant factor in determining our profit is the inputs into our agricultural operations. In coffee it is well known that inputs are becoming more and more expensive each year, raising the cost of production significantly. On the tea side the main input is labour, where recent developments concerning wage and gratuity rulings by the Industrial Court have impacted the cost side of the equation significantly. The recent excessive increase to wage rates granted by the court for union employees will have a detrimental effect on the future profitability of this sector and the creation of employment in the tea industry. If similar increases in direct labour costs and gratuity provisions are granted in the coffee industry, many producers will find that coffee production will become uneconomical at current prices.

Notwithstanding these indicators, we are pleased to have produced a profit after tax that is 22% better than the previous year due mainly to the

increased production of tea from 4,479 tonnes to 6,809 tonnes this year. The tea production figures justify the significant capital investment made in past years for increased capacity in the tea factories and the company's commitment to serving the small outgrowers neighbouring our tea estates.

Our commitment to coffee remains strong as evidenced by our acquisition of a coffee estate in the Kiambu area towards the end of the financial year. Named Kakindu Estate, its 63 hectares of coffee are situated in close proximity and contiguous with our Kamundu and Tinganga estates. We expect Kakindu Estate to make a positive contribution to the coffee operations of the company in the next financial year. This acquisition raises our total area under coffee production to a healthy 903 hectares.

Our share of the 1997 results of our associated company, Garton Limited, reflect a year of high production and sales coupled with high coffee prices. The net contribution of Garton Limited included in these accounts is Kshs. 16.5 million to our profit after tax. Our dividend from The Ark Limited was Kshs. 6.1 million, the same as the previous year.

As we anticipate another challenging year ahead, we look forward to the development of several factors that will benefit our company. A more realistic and lower value for the Kenya Shilling, and the liberalisation of the coffee sector particularly in the area of marketing, would be in our favour. We would also advocate the harmonisation of the Value Added Tax legislation between the tea and coffee sectors, by changing the status of coffee to that of tea, which is a zero-rated commodity.

I conclude by mentioning that we are proud to be one of the companies in Kenya that is able to bring its shareholders increased profits and increased earnings per share in such a difficult business year. Our commitment to strengthening our corporate policies and structure while reducing our business risks has not wavered. We look forward to managing the change in our business environment with a commitment to the continued growth and profitability of Sasini Tea and Coffee Limited.

MW HARLEY
Chairman

TAARIFA YA MWENYEKITI

Huu ulikuwa mwaka wa kuvunja rekodi kwa njia nyingi. Tulipata viwango vikuu vya mvua, viwango vikuu vya zote, chai na kahawa, kiwango cha juu cha uzalishaji majani chai na mauzo, kilichosababisha kiwango cha juu cha faida. Pia nina furaha kuwajulisha kuwa ongezeko letu la faida litasababisha ulipaji wa juu wa mgawo wa faida kwa kampuni pia.

Hali ya hewa, ambalo ndilo jambo linaloamua katika ukulima, halikuwa katika upendeleo wa shughuli zetu za kahawa mwaka huu. Mengi ya mashamba yetu yalipata viwango mara mbili vya mvua ya kawaida ya mwaka kwa sababu ya athari za *El Nino* zisizopendekeza. Matokeo yalikuwa ni upungufu wa kudhihirika katika uzalishaji wa kahawa kuambatana na makadirio ya kitaifa ya upungufu wa uzalishaji kahawa, uliosawazishwa kwa namna fulani na bei nzuri sana tulizopata kwa kahawa yetu katika mnada wa Nairobi.

Umuhimu wa athari ya bei za bidhaa za kimataifa katika kufaidika kwetu ulikuwa wazi zaidi mwaka huu. Badiliko la bei la zote bidhaa mbili halijatokeapo katika miaka ya karibuni. Bei za majani chai zilipanda na kuwa juu sana Februari 1998 ila kuwa nusu yake kabla ya mwisho wa Mei na kubaki katika viwango hivi vya chini kwa muda uliobakia wa mwaka wa hesabu. Vivyo hivyo, bei za kahawa zilifikia viwango vya kushangaza ambavyo havijaonekana kutokea miaka ya sabini mnamo Januari na Februari ya 1998, ila tu kuanguka na kuwa za chini sana mnamo Mei na Juni bila ya kupanda kwa kiasi chochote cha umuhimu kufikia mwisho wa mwaka wetu wa hesabu. Kwa vile bei ya bidhaa zetu ndilo jambo moja muhimu linaloathiri kufaidika kwetu, upandaji na ushukaji huo wa juu na chini sana unafanya iwe vigumu kutabiri kwa viwango vya usawa matokeo ya mwisho wa mwaka katika muda huu.

Jambo la pili muhimu zaidi katika kuamua faida yetu ni vitu tunavyotumia katika shughuli zetu za ukulima. Katika kahawa, inajulikana wazi kuwa vitu hivyo vinakuwa ghali zaidi na zaidi kila mwaka, vikipandisha gharama ya uzalishaji zaidi. Kwa upande wa majani chai, kitu muhimu kinachotumika ni kazi ihayohitaji kufanywa, ambapo katika maendeleo ya karibuni yanayohusu sheria za ijara na bakshishi yaliyotolewa na korti inayoshughulikia wafanyakazi yameathiri upande wa gharama zaidi. Ongezo la juu zaidi la hivi karibuni la viwango vya ijara lililotolewa na korti inayoshughulikia wafanyakazi kwa wafanyakazi walio wanachama wa vyama vya ushirika litakuwa na athari muhimu katika kufaidika siku za mbeleni kwa sekta hii na uzalishaji wa kazi katika biashara ya majani chai. Ikiwa ongezeko kama hili katika gharama ya moja kwa moja ya kazi inayohitaji kufanywa na utoaji wa bakshishi litatolewa katika biashara ya kahawa, wazalishaji wengi wataona kuwa uzalishaji wa kahawa utakuwa si wa faida kwa bei za sasa.

Juu ya ishara hizi, tuna furaha kuwa tumezalisha faida baada ya ushuru ambayo ni nzuri kwa asilimia 22 kupita ile ya mwaka uliopita kutokana hasa na kuongezeka kwa uzalishaji wa majani chai kutoka tani 4,479 hadi tani 6,809 mwaka huu. Viwango vya uzalishaji majani chai vinathibitisha utumiaji muhimu wa rasilimali uliofanywa katika miaka iliopita kuongeza nafasi ya viwanda vya majani chai na katika kujitolea kwa kampuni kuwatumikia wazalishaji wadogo walio jirani na mashamba yetu ya majani chai.

Msimamo wetu kwenye kahawa bado ni madhubuti kama inavyoshuhudishwa na kununua kwetu shamba la kahawa katika eneo la Kiambu kukaribia mwisho wa mwaka wetu wa hesabu. Limeitwa Kakindu na hekta zake 63 za kahawa ziko karibu sana na kupakana na mashamba yetu ya Kamundu na Tinganga. Tunataraji shamba la Kakindu litatoa mchango wa kufurahisha katika shughuli za kahawa za kampuni katika mwaka ujao wa hesabu. Nunuo hili linaongeza eneo letu la jumla lililo chini ya uzalishaji wa kahawa kuwa hekta 903 zinazoridhisha.

Sehemu yetu ya matokeo ya 1997 ya kampuni yetu mshirika, Garton Limited, inaonyesha mwaka wa uzalishaji na mauzo ya juu pamoja na bei za juu za kahawa. Mchango halisi wa Garton Limited ulioongezwa katika hesabu hizi ni KShs. milioni 16.5 kwa faida yetu baada ya ushuru. Mgawo wetu wa faida kutoka The Ark Limited ulikuwa KShs. milioni 6.1, sawa na ule wa mwaka uliopita.

Tukitarajia mwaka mwingine wa majaribio mbele yetu, tunataraji maendeleo ya mambo kadhaa ambayo yatafaidi kampuni yetu. Thamani ya kisawa hasa na ya chini ya shilingi ya Kenya, mageuzi ya kiuchumi ya sekta ya kahawa hasa katika upande wa uuzaji, yatakuwa katika upendeleo wetu. Tungependa pia kupendekeza usawazishaji wa sheria za ushuru wa VAT baina ya sekta za majani chai na kahawa, kwa kugeza hadhi ya kahawa kuwa ile ya majani chai ambalo ni bidhaa lenye kima cha sufuri.

Ninamalizia kwa kutaja kuwa tunajionea fahari kuwa moja ya makampuni ya Kenya ambayo inaweza kuwaletea wanahisa wake faida zaidi na mapato kwa kila hisa katika mwaka mgumu wa biashara. Kujitolea kwetu kuimarisha muundo na sera zetu za kampuni wakati huo huo tukipunguza mashaka yetu ya biashara hakujatetereka. Tunatarajia kuyamudu mabadiliko katika mazingira ya biashara yetu kwa msimamo wa kuendeleza ukuaji na faida ya Sasini Tea and Coffee Limited.

MW HARLEY
Mwenyekiti

COFFEE PICTORIAL



Ripe coffee berries



Sorting of coffee berries



Processing of coffee berries

SALIENT FEATURES AND FINANCIAL CALENDAR

		1998	1997
TURNOVER	KShs '000	955,799	643,287
Profit after taxation and minority interests	KShs '000	121,706	99,512
Dividend per ordinary share (gross)	KShs	3.00	3.00
Shareholders' Funds	KShs '000	2,277,067	2,240,662

Report and Financial Statements circulated in February, 1999.

DIVIDENDS

Interim	KShs 2.00	per share paid 2nd June, 1998
Final Proposed	KShs 1.00	per share payable in March, 1999

STATISTICS

The following statistics relating to the group's tea and coffee activities give a comparison of the results achieved on the estates during the last two years. A five year comparative statement is given on page 29.

		TEA		COFFEE	
		1998	1997	1998	1997
Sasini and subsidiaries					
Area	Hectares	1,220	1,162	903	840
Production	Tonnes	6,809	4,479	867	1,023
Sales	Tonnes	6,973	4,427	890	1,143
Net sales proceeds:					
Tea	KShs/Kg	98.52	86.18	--	--
Coffee	KShs '000/Tonne	--	--	290	221
Associated Company					
Garton Limited:					
Area	Hectares	--	--	286	284
Production	Tonnes	--	--	282	399

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REPORT OF THE DIRECTORS to the members of Sasini Tea and Coffee Limited

The Directors have pleasure in presenting their annual report and the audited financial statements for the year ended 30th September, 1998.

ACTIVITIES

The principal activities of the company and its subsidiaries are the growing and processing of tea and coffee, investment in equity and property, forestry, dairy operations and breeding of beef cattle.

GROUP RESULTS AND DIVIDENDS

			1998 KShs '000	1997 KShs '000
Profits after taxation and minority interests			121,706	99,512
First interim dividend paid	: 40%	(1997 : 30%)	(76,019)	(38,009)
Second interim dividend paid	: Nil	(1997 : 20%)	--	(25,340)
Final dividend proposed	: 20%	(1997 : 10%)	(38,009)	(12,670)
Retained profits transferred to reserves			7,678	23,493

SHARE CAPITAL AND RESERVES

The authorised and issued share capital of the company at 30th September, 1998 and matters relating thereto are set out in note 16 to the financial statements.

Full details of the group and company's reserves and movements therein during the year are shown in note 17 to the financial statements.

FIXED ASSETS

Details of the movements in fixed assets are shown in note 8(a) to the financial statements.

DIRECTORS

The details of the Board of Directors are set out on page 3.

Messrs. M H Da Gama-Rose, N N Merali, G W Gichuki, M N Omar, A H Butt and I A Timamy retire by rotation and, being eligible, offer themselves for re-election.

Mr M W Harley, also retires by rotation and being 71 years of age, seeks re-election under the provision of Section 186(5) of the Companies Act (Cap 486).

Mr H A Valentine resigned with effect from 5th January, 1999.

SUBSTANTIAL SHAREHOLDINGS

The Directors are aware of the following interests which amount to 5% or more of the issued share capital of the company:

	Shareholding %	
	1998	1997
Legend Investments Limited	41.84	41.84
Yana Towers Limited	12.92	12.92
Old Mutual Life Assurance Company Limited	5.19	5.19

AUDITORS

The auditors, Ernst & Young were appointed during the year in accordance with section 159(6) of the Companies Act (Cap 486) and have expressed their willingness to continue in office in accordance with Section 159(2) of the said Act.

By order of the Board

I A TIMAMY

Company Secretary

Nairobi

28th January, 1999

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RIPOTI YA WAKURUGENZI kwa wanachama wa Sasini Tea and Coffee Limited

Wakurugenzi wana furaha ya kuwakilisha taarifa yao ya mwaka na za fedha zilizokaguliwa kwa mwaka ulioishia 30 Septemba, 1998.

SHUGHULI

Shughuli muhimu za kampuni na kampuni zake ndogo ni ukuzaji na utengenezaji wa majani chai na kahawa, uwekaji rasilimali kwenye maadili na mali nyingine, biashara ya misitu na ufugaji wa ng'ombe wa maziwa na nyama.

MATOKEO YA KUNDI LA MAKAMPUNI NA MGAWO WA FAIDA

			1998 KShs '000	1997 KShs '000
Faida baada ya kutoa ushuru na sehemu ya wenye hisa chache			121,706	99,512
Malipo ya kwanza ya mgawo wa faida ya muda yaliyolipwa	: 40%	(1997 : 30%)	(76,019)	(38,009)
Malipo ya pili ya mgawo wa faida ya muda yaliyolipwa	: Kapa	(1997 : 20%)	--	(25,340)
Malipo ya mwisho ya mgawo wa faida yanayopendekezwa	: 20%	(1997 : 10%)	(38,009)	(12,670)
Faida iliyobakishwa na kuhamishwa kwenye akiba			7,678	23,493

RASILIMALI YA HISA NA AKIBA

Rasilimali ya hisa za kampuni zilizoidhinishwa na kutolewa kufikia tarehe 30 Septemba 1998 na mambo yanayohusiana nazo yanaonyeshwa katika tanbihi 16 ya taarifa za fedha.

Maelezo kamili ya kundi na akiba ya kampuni na mienendo yake katika mwaka yameonyeshwa katika tanbihi 17 ya taarifa za fedha.

MALI THABITI

Maelezo ya maendeleo ya mali thabiti yameonyeshwa katika tanbihi 8(a) ya taarifa za fedha.

WAKURUGENZI

Maelezo ya halmashauri ya wakurugenzi yako ukurasa wa 3.

Mabwana M H Da Gama-Rose, N N Merali, GW Gichuki, M N Omar, A H Butt na I A Timamy wanastaafu kwa zamu, na kwa kuwa wanastahili, wanajitolea kuchaguliwa tena.

Bw M W Harley pia anastaafu kwa zamu na kwa kuwa na umri wa miaka 71 anataka kuchaguliwa tena chini ya kipengee cha sehemu 186(5) cha Sheria za Makampuni (kifungu cha 486).

Bw H A Valentine alijiuzulu kutokea tarehe 5 Januari 1999.

UMILIKAJI WA HISA NYINGI

Wakurugenzi wanafahamu kuhusu makampuni yanayofuata yanayomiliki asilimia 5 au zaidi ya rasilimali ya hisa zilizotolewa za kampuni.

	Umilikaji wa Hisa %	
	1998	1997
Legend Investments Limited	41.84	41.84
Yana Towers Limited	12.92	12.92
Old Mutual Life Assurance Company Limited	5.19	5.19

WAKAGUZI WA HESABU

Wakaguzi wa hesabu, Ernst and Young waliteuliwa katika mwaka kuambatana na sehemu 159(6) ya sheria za makampuni (kifungu 486) na wameonyesha ridhaa ya kuendelea na wadhifa huo kuambatana na sehemu ya 159(2) ya sheria hizo za makampuni.

Kwa amri ya Halmashauri

I A TIMAMY

Katibu wa Kampuni

Nairobi

28 Januari, 1999

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REPORT OF THE INDEPENDENT AUDITORS to the members of Sasini Tea and Coffee Limited

We have audited the accounts set out on pages 13 to 28 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 18 and 19. We obtained all the information and explanations which we considered necessary for our audit.

Respective Responsibilities of Directors and Auditors

The directors are responsible for the preparation of the accounts. Our responsibility is to express an independent opinion on the accounts based on our audit.

Basis of Opinion

We conducted our audit in accordance with generally accepted auditing standards. We planned and performed our audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of significant estimates and judgements made by the Directors in the preparation of the accounts, and whether the accounting policies are appropriate, consistently applied and adequately disclosed.

Opinion

In our opinion, proper books of account have been kept and the accounts, which are in agreement therewith, give a true and fair view of the state of the financial affairs of the company and the group at 30th September, 1998 and of the results and cashflows for the year then ended and comply with the Companies Act (Cap. 486) and the International Accounting Standards.

ERNST & YOUNG

Certified Public Accountants of Kenya

Nairobi

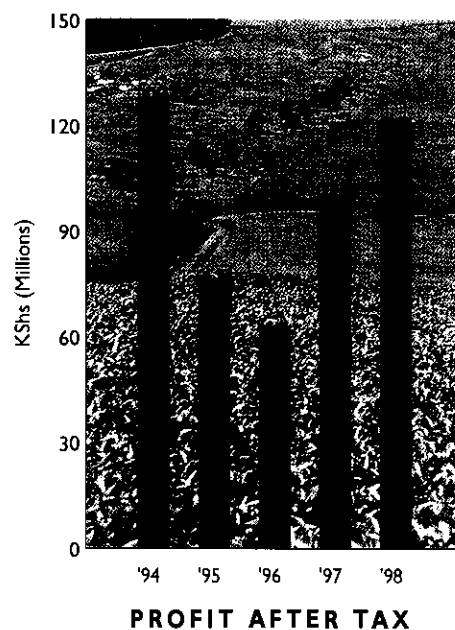
28th January, 1999

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CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 30th September 1998

	Note	1998 KShs '000	1997 KShs '000
TURNOVER	2	955,799	643,287
PROFIT FROM OPERATIONS	2	149,983	137,754
INVESTMENT AND OTHER INCOME	3	34,986	27,963
PROFIT FOR THE YEAR		184,969	165,717
SHARE OF PROFITS OF ASSOCIATED COMPANY		24,213	5,205
PROFIT BEFORE TAXATION AND MINORITY INTERESTS		209,182	170,922
TAXATION	4	(84,865)	(69,157)
PROFIT AFTER TAXATION BEFORE MINORITY INTERESTS		124,317	101,765
MINORITY INTERESTS		(2,611)	(2,253)
PROFIT ATTRIBUTABLE TO THE MEMBERS	5	121,706	99,512
DIVIDENDS	6	(114,028)	(76,019)
BALANCE TRANSFERRED TO RESERVES	17	7,678	23,493
EARNINGS PER SHARE			
On profit attributable to the members	7	KShs 3.20	KShs 2.62



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CONSOLIDATED BALANCE SHEET

30th September 1998

	Note	1998 KShs '000	1997 KShs '000
ASSETS EMPLOYED:			
FIXED ASSETS	8(a)	2,050,434	2,010,459
CAPITAL WORK IN PROGRESS	8(b)	596	643
INVESTMENT IN ASSOCIATED COMPANY	10	94,558	63,993
OTHER INVESTMENTS	11	17,382	23,807
		2,162,970	2,098,902
CURRENT ASSETS			
Stocks	12	109,248	127,073
Debtors	14	87,069	70,730
Deposits, bank balances and cash		191,363	185,648
		387,680	383,451
CURRENT LIABILITIES			
Creditors		128,476	88,183
Taxation		23,002	32,122
Dividend payable		38,009	38,009
Bank overdraft	15	193	85
		189,680	158,399
NET CURRENT ASSETS		198,000	225,052
		2,360,970	2,323,954
FINANCED BY:			
Share capital	16	190,046	126,697
Reserves	17	2,087,021	2,113,965
SHAREHOLDERS' FUNDS		2,277,067	2,240,662
MINORITY INTERESTS		83,903	83,292
		2,360,970	2,323,954

The financial statements set out on pages 13 - 2B were approved by the Board of Directors on 28th January, 1999, and signed on its behalf by:

M W HARLEY }
D A SCHUMACHER } Directors

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COMPANY BALANCE SHEET

30th September 1998

	Note	1998 KShs '000	1997 KShs '000
ASSETS EMPLOYED:			
FIXED ASSETS	8(a)	658,969	600,000
INVESTMENT IN SUBSIDIARY COMPANIES	9	20,342	20,342
INVESTMENT IN ASSOCIATED COMPANY	10	12	12
OTHER INVESTMENTS	11	1,298	1,298
		680,621	621,652
CURRENT ASSETS			
Stocks	12	32,036	22,712
Subsidiary companies	13	103,013	100,863
Debtors	14	27,115	8,921
Deposits, bank balances and cash		10,350	96,095
		172,514	228,591
CURRENT LIABILITIES			
Creditors		22,335	19,135
Taxation		--	9,533
Dividend payable		38,009	38,009
		60,344	66,677
NET CURRENT ASSETS		112,170	161,914
		792,791	783,566
FINANCED BY:			
Share capital	16	190,046	126,697
Reserves	17	602,745	656,869
SHAREHOLDERS' FUNDS		792,791	783,566

The financial statements set out on pages 13 - 28 were approved by the Board of Directors on 28th January, 1999, and signed on its behalf by:

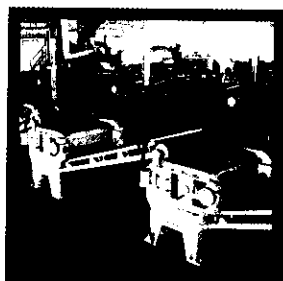
MW HARLEY } Directors
D A SCHUMACHER }

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CONSOLIDATED CASH FLOW STATEMENT

for the year 30th September 1998

	Note	1998 KShs '000	1997 KShs '000
Net cash inflow from operating activities	A	323,417	248,553
Returns on investment and servicing of finance:			
Interest received	B	26,874	20,284
Dividends received from trade investments		8,112	7,679
Dividends received from associated company		2,450	14,700
Dividends paid		(114,028)	(76,018)
Dividends paid to minority shareholders		(2,000)	(1,000)
Net cash outflow from investments and servicing of finance		(78,592)	(34,355)
Taxation paid		(98,101)	(32,893)
Investing activities:			
Purchase of fixed assets		(144,119)	(81,200)
Proceeds on sale of fixed assets		3,002	1,956
Net cash outflow from investing activities		(141,117)	(79,244)
Increase in cash and cash equivalents	C	5,607	102,061
Cash and cash equivalents at beginning of the year		185,563	83,502
Cash and cash equivalents at the end of the year		191,170	185,563



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NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30th September 1998

	1998 KShs '000	1997 KShs '000
A. Reconciliation of operating profit to net cash inflow from operating activities:		
Group operating profit net of investment income	174,196	142,959
Less: Share of profits of associated company	24,213	5,205
Profit from operations	149,983	137,754
Depreciation charges	100,538	94,284
Loss on asset transfers	248	--
Diminution on trade investments	6,425	--
Loss on sale of fixed assets	403	842
Decrease/(Increase) in stocks	17,825	(12,931)
(Increase)/Decrease in debtors	(4,548)	20,090
Increase in creditors	52,543	8,514
Net cash inflow from operating activities	323,417	248,553
B. Reconciliation of interest received:		
Interest on short term deposits	26,852	20,274
Interest on trade investments	22	10
	26,874	20,284
C. Increase in cash and cash equivalents:		
Deposits, bank and cash balances	5,715	96,126
Bank overdraft	(108)	5,935
	5,607	102,061



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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 1998

I. ACCOUNTING POLICIES

Basis of accounting

The company prepares its financial statements on the historical cost basis of accounting, modified to include the revaluation of certain assets.

Basis of consolidation

The consolidated financial statements incorporate the accounts of the company and its subsidiaries made up to 30th September.

Any goodwill arising on the acquisition of subsidiaries is written off to revenue reserves in the year of purchase.

Associated company

Where the group has a beneficial interest of 20 per cent or more of the equity capital and has the ability to exercise significant influence in that company, other than a subsidiary company, the consolidated financial statements include the group's share of the profits and attributable taxation of the associated company based on the latest audited financial statements.

In the consolidated balance sheet, the investment in the associated company is stated at cost together with the group's share of post acquisition retained profits.

Turnover

Turnover includes:

- (a) The gross sales proceeds of coffee net of marketing commission, ad valorem levy and County Council cess which are all deducted at source;
- (b) The gross sales proceeds of made tea net of selling charges; and
- (c) The proceeds of sale of livestock and dairy products during the year.

Taxation

Current taxation is provided on the basis of the results for the year as shown in the financial statements, adjusted in accordance with tax legislation.

Deferred tax is calculated under the liability method and is only accounted for to the extent that it is probable that timing differences will reverse within the foreseeable future.

Fixed assets and depreciation

The fixed assets are stated at 1995 revaluation amounts, with subsequent additions stated at cost.

Depreciation is not provided on land and development as the costs of replanting, infilling and upkeep of developed areas are charged against revenue in the year in which they are incurred. Development costs include direct costs and attributable overheads incurred in bringing newly planted areas into production.

Where developed areas are affected by natural or other causes, resulting in a material permanent diminution of earnings, the development costs in respect of such areas are written off to the profit and loss account. Subsequent development costs attributable to such areas are capitalised.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 1998

ACCOUNTING POLICIES (continued)

Fixed assets and depreciation (continued)

Depreciation on other assets is provided over the estimated useful lives of the assets on the straight line method. The principal rates in use are:

	Over the estimated useful lives
Buildings and improvements	12.5%
Plant, machinery and tools	25.0%
Rolling stock	12.5% - 25.0%
Farm implements, furniture and equipment	

The excess depreciation charge on the revalued element of the assets is transferred from Capital Reserves to Revenue Reserves.

Trade investments

Trade investments are stated at cost. Provision is made for any permanent diminution in value.

Stocks

Tea, coffee and estate stores are stated at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business, including direct material costs, labour and production overheads where appropriate. Net realisable value is the price at which the stock can be realised in the normal course of business after allowing for costs of realisation. Provision is made for obsolete, slow moving and defective stocks.

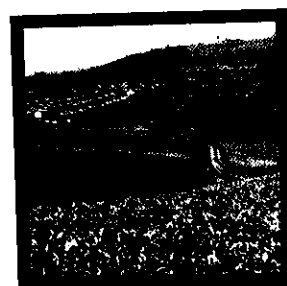
Livestock are stated at directors valuation.

Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into Kenya shillings at the rate of exchange ruling at the balance sheet date. Transactions during the year in foreign currencies are translated at the rates ruling at the dates of the transactions. Gains and losses on exchange are dealt with in the profit and loss account.

Retirement benefits and service gratuities

Contributions made to defined contribution schemes are charged to the profit and loss account as incurred. Service gratuities accruing to employees under collective bargaining agreements with the trade union, are charged to the profit and loss account upon employees attaining the specified years of service.



NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30th September 1998 (Continued)

2. TURNOVER AND PROFIT FROM OPERATIONS

Activity:	Turnover		Profit from operations	
	1998 KShs '000	1997 KShs '000	1998 KShs '000	1997 KShs '000
Tea	686,973	381,522	154,420	96,377
Coffee	258,050	253,161	4,656	39,154
Livestock	10,776	8,604	(1,114)	(1,652)
Other operating income	--	--	(7,979)	3,875
Total	955,799	643,287	149,983	137,754

	1998 KShs '000	1997 KShs '000
Profit from operations is arrived at after charging:		
Auditors' remuneration - current year	1,520	1,490
- prior year	746	(193)
Company: KShs 500,000 (1997: KShs 591,192)		
Depreciation	100,538	94,284
Loss on sale of fixed assets	403	842
Provision for staff gratuity	18,361	1,895
Provision for diminution in value of investments	6,425	--
Directors' emoluments - fees	711	680
- other emoluments	4,496	3,414

3. INVESTMENT AND OTHER INCOME

Income from trade investments	8,134	7,689
Interest on short term deposits	26,852	20,274
	34,986	27,963

4. TAXATION

Corporation tax on taxable profit for the year at 32.5% (1997: 35%)	77,395	66,741
Adjustment in respect of prior years	(205)	1,236
	77,190	67,977
Attributable taxation of associated company	7,675	1,180
	84,865	69,157

Dividend tax account

The group and the company have a credit balance on the dividend tax account of KShs 219,198,017 and KShs 98,452,702 respectively, which include tax payments to January, 1999.

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 30th September 1998 (Continued)

5. PROFIT ATTRIBUTABLE TO THE MEMBERS

The profit dealt with in the financial statements of the parent company is KShs 123,252,295 (1997: KShs 92,614,951) after recognising dividend income from subsidiary companies in the year to which it relates.

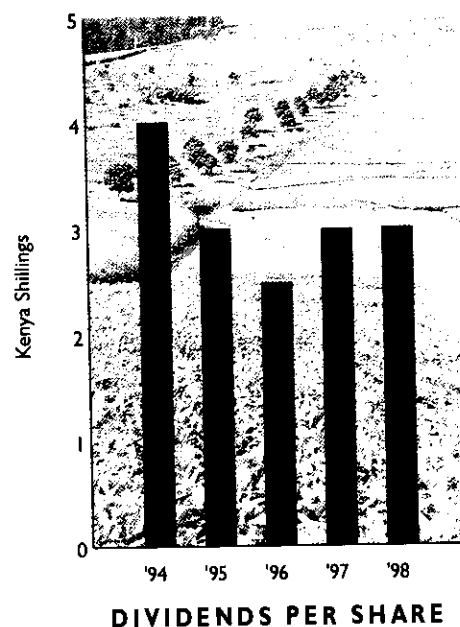
6. DIVIDENDS

	1998 KShs '000	1997 KShs '000
First interim dividend (KShs 2.00 per share: paid 2nd June 1998)	76,019	38,009
Second interim dividend	--	25,340
Final dividend (KShs 1.00 per share: payable March 1999)	38,009	12,670
	114,028	76,019

Payment of the dividends is subject to withholding tax at the rate of 5% where made to residents and 10% where made to non-residents.

7. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit after taxation and minority interests of KShs 121,706,000 (1997: KShs 99,512,000); and on 38,009,250 ordinary shares. The calculation of earnings per share for 1997 has been restated based on the increased number of ordinary shares arising from the 1 for 2 bonus issue that was approved and effected during the current year.



NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30th September 1998 (Continued)

8(a). FIXED ASSETS

The Group	Land and development KShs '000	Buildings and improvements KShs '000	Plant machinery and tools KShs '000	Rolling stock and farm implements KShs '000	Furniture and equipment KShs '000	Total KShs '000
COST OR VALUATION						
At 1 October, 1997	1,294,307	458,228	304,895	110,677	29,694	2,197,801
Additions	81,284	17,155	16,265	28,943	3,026	146,673
Disposals	--	(124)	--	(8,258)	(162)	(8,544)
Transfer (see below)	1,355	--	--	(1,355)	--	--
Adjustment (see below)	--	--	--	(331)	--	(331)
At 30 September, 1998	1,376,946	475,259	321,160	129,676	32,558	2,335,599
Comprising:						
At cost	115,170	39,326	78,512	77,360	19,804	330,172
At valuation	1,261,776	435,933	242,648	52,316	12,754	2,005,427
	1,376,946	475,259	321,160	129,676	32,558	2,335,599
DEPRECIATION						
At 1 October, 1997	--	64,377	67,645	44,764	10,556	187,342
Charge for the year	--	32,990	36,176	25,542	5,999	100,707
Disposals	--	(25)	--	(2,603)	(4)	(2,632)
Transfer (see below)	--	--	--	(169)	--	(169)
Adjustment (see below)	--	--	--	(83)	--	(83)
At 30 September, 1998	--	97,342	103,821	67,451	16,551	285,165
NET BOOK VALUE						
At 30 September, 1998	1,376,946	377,917	217,339	62,225	16,007	2,050,434
At 30 September, 1997	1,294,307	393,851	237,250	65,913	19,138	2,010,459

The adjustment relates to the reclassification of an item previously capitalised.

The transfer relates to items belonging to land and development previously classified as farm implements and the related depreciation.

Land and buildings comprise:

	KShs '000
Freehold	664,012
Long leasehold	997,517
Short leasehold	93,334
Net book value	1,754,863

Most of the group's fixed assets were revalued at 30th September, 1995 by Lloyd Masika Limited, registered valuers on the following basis:

- Land and development - at market value on an existing use basis.
- All other assets - at net current replacement cost.

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NOTES TO THE FINANCIAL STATEMENTS for the year ended 30th September 1998 (Continued)

8(a). FIXED ASSETS (Continued)

The Company	Land and development KShs '000	Buildings and improvements KShs '000	Plant machinery and tools KShs '000	Rolling stock and farm implements KShs '000	Furniture and equipment KShs '000	Total KShs '000
COST OR VALUATION						
At 1 October, 1997	358,045	181,459	73,580	34,607	6,983	654,674
Additions	62,037	11,297	5,815	12,985	1,447	93,581
Disposals	--	(124)	--	(5,298)	(47)	(5,469)
At 30 September, 1998	420,082	192,632	79,395	42,294	8,383	742,786
Comprising:						
At cost	62,037	11,574	6,253	28,912	3,290	112,066
At valuation	358,045	181,058	73,142	13,382	5,093	630,720
	420,082	192,632	79,395	42,294	8,383	742,786
DEPRECIATION						
At 1 October, 1997	--	26,248	11,625	14,626	2,175	54,674
Charge for the year	--	13,529	6,425	9,686	1,366	31,006
Disposals	--	(25)	--	(1,838)	--	(1,863)
At 30 September, 1998	--	39,752	18,050	22,474	3,541	83,817
NET BOOK VALUE						
At 30 September, 1998	420,082	152,880	61,345	19,820	4,842	658,969
At 30 September, 1997	358,045	155,211	61,955	19,981	4,808	600,000
Land and buildings comprise:						KShs '000
Freehold						479,628
Short leasehold						93,334
Net book value						572,962

8(b). CAPITAL WORK IN PROGRESS

The capital work in progress at 30th September, 1998 relates to a motor vehicle under refurbishment and work on the labour lines at Magura Estate, Kipkebe Estate hospital development and a power line installation at Kiptenden Estate.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30th September 1998 (Continued)

9. INVESTMENT IN SUBSIDIARY COMPANIES

	1998 KShs '000	1997 KShs '000
Shares in subsidiary companies at cost less amounts written off	20,342	20,342

The subsidiary companies which are all incorporated in Kenya are:

Percentage of equity held

Kipkebe Limited	100	
Keritor Limited	100	(100% held by Kipkebe Limited)
Mweiga Estate Limited	75	
Wahenya Limited	75	(100% held by Mweiga Estate Limited)
Warren Kenya Limited	* 69.3	
Warren Engineering Limited	* 69.3	(100% held by Warren Kenya Limited)

* Dormant companies.

10. INVESTMENT IN ASSOCIATED COMPANY

	The Group		The Company	
	1998 KShs '000	1997 KShs '000	1998 KShs '000	1997 KShs '000
Investment in Garton Limited				
Unquoted:				
Share of net assets	94,558	63,993	--	--
Shares at cost	--	--	12	12
	94,558	63,993	12	12
The group's share of reserves:				
Capital reserves	60,103	31,375		
Revenue reserves	34,443	32,606		
	94,546	63,981		

The group holds 49% of the equity capital in Garton Limited. The results of the company, whose principal activity is the growing and processing of coffee, have been included on the basis of the audited financial statements as at 31st December, 1997.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 1998 (Continued)

11. OTHER INVESTMENTS

		The Group		The Company	
		1998 KShs '000	1997 KShs '000	1998 KShs '000	1997 KShs '000
Trade investments:	Quoted	11,356	17,781	31	31
	Unquoted	6,026	6,026	1,267	1,267
		17,382	23,807	1,298	1,298

The quoted trade investments of the group and the company have a market valuation of KShs 12,068,380 (1997: KShs 12,656,000) and KShs 31,000 (1997: KShs 31,000) respectively.

The unquoted trade investments of the group and the company are valued by the directors at KShs 66,366,306 (1997: KShs 28,998,000) and KShs 1,267,000 (1997: KShs 1,267,000) respectively.

12. STOCKS

		The Group		The Company	
		1998 KShs '000	1997 KShs '000	1998 KShs '000	1997 KShs '000
Tea		37,433	42,875	--	--
Tea and tree nurseries		4,993	8,517	--	--
Coffee		13,671	18,644	9,637	10,049
Livestock		1,144	1,376	169	170
Estate stores		52,007	55,670	22,230	12,493
		109,248	127,073	32,036	22,712

13. SUBSIDIARY COMPANIES

	1998 KShs '000	1997 KShs '000
Due from subsidiaries	197,182	172,909
Due to subsidiaries	(94,169)	(72,046)
	103,013	100,863

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30th September 1998 (Continued)

14. DEBTORS

	The Group		The Company	
	1998 KShs '000	1997 KShs '000	1998 KShs '000	1997 KShs '000
Trade debtors	43,471	49,700	12,225	6,973
Other debtors and prepaid expenses	31,807	21,030	3,110	1,948
Tax recoverable	11,791	--	11,780	--
	87,069	70,730	27,115	8,921

15. BANK OVERDRAFT

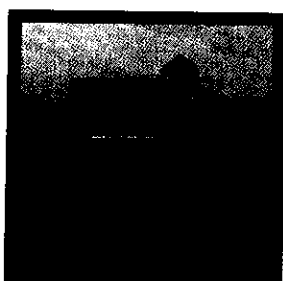
The bank overdraft facilities with Barclays Bank of Kenya Limited are secured to the extent of KShs 8,000,000 by way of a cash deposit guarantee from First American Bank of Kenya Limited.

16. SHARE CAPITAL

	1998 KShs '000	1997 KShs '000
Authorised:		
40,000,000 (1997: 30,000,000) ordinary shares of KShs 5 each	200,000	150,000
Issued and fully paid:		
38,009,250 (1997: 25,339,500) ordinary shares of KShs 5 each	190,046	126,697

Following the Annual General Meeting held on 12th March, 1998:

- The authorised share capital of the company was increased from KShs 150 million to KShs 200 million by the creation of a further 10 million shares of 5shs 5 each ranking *pari passu* in all respects with the existing shares.
- The issued and fully paid capital of the company was increased by the issue of 12,669,750 bonus shares in the proportion of one such share for every two shares held on that date.



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NOTES TO THE FINANCIAL STATEMENTS for the year ended 30th September 1998 (Continued)

17. RESERVES

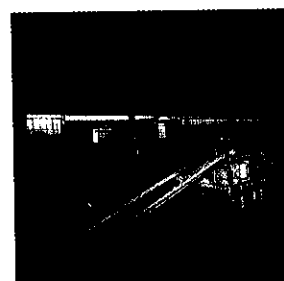
	Non Distributable Capital reserves KShs '000	Distributable Revenue reserves KShs '000	Total reserves KShs '000
THE GROUP			
At 1 October 1997	1,663,410	450,555	2,113,965
Capitalisation of reserves (see note 16)	--	(63,349)	(63,349)
Share of revaluation surplus of associated company	28,727	--	28,727
Excess depreciation on revaluation	(44,126)	44,126	--
Release of depreciation on disposal of assets	(1,645)	1,645	--
Retained profit for the year	--	7,678	7,678
At 30 September 1998	1,646,366	440,655	2,087,021
THE COMPANY			
At 1 October 1997	577,065	79,804	656,869
Capitalisation of reserves (see note 16)	--	(63,349)	(63,349)
Excess depreciation on revaluation	(18,741)	18,741	--
Release of depreciation on disposal of assets	(613)	613	--
Retained profit for the year	--	9,225	9,225
At 30 September 1998	557,711	45,033	602,745

18. DEFERRED TAXATION

Had the company and its subsidiaries provided for deferred taxation in respect of all potential liabilities, the deferred tax liability would have been as follows:

	The Group		The Company	
	1998 KShs '000	1997 KShs '000	1998 KShs '000	1997 KShs '000
Accelerated capital allowances	181,214	216,532	66,712	79,964

These timing differences are not expected to crystallise in the foreseeable future. Consequently, no provision has been made in the accounts.



NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30th September 1998 (Continued)

19. CAPITAL COMMITMENTS

	The Group		The Company	
	1998 KShs '000	1997 KShs '000	1998 KShs '000	1997 KShs '000
Authorised and contracted	27,205	15,904	6,231	3,884
Authorised but not contracted	68,295	80,953	20,152	20,584
	95,500	96,857	26,383	24,468

20. RELATED PARTY TRANSACTIONS

The Company shares common directors with:

- (a) Some of its suppliers who have supplied goods and services amounting to KShs 9,814,000 during the period under review.
- (b) Two of its bankers, Equatorial Commercial Bank Limited and First American Bank of Kenya Limited.

Transactions with the above were at arm's length and in the normal course of business.

21. INCORPORATION

The company is incorporated in Kenya under the Companies Act.

22. CURRENCY

These financial statements are expressed in Kenya Shillings.

FIVE YEAR COMPARATIVE STATEMENT

PRODUCTION & SALES STATISTICS

TEA

	1998	1997	1996	1995	1994
Area - hectares	1,220	1,162	1,221	1,221	1,192
Production - kilograms	6,809,212	4,479,398	5,118,285	5,209,993	4,164,456
Sales - kilograms	6,972,776	4,426,967	4,956,940	5,496,638	4,125,198
Net sales proceeds - KShs/kg	98.52	86.18	60.12	43.66	71.40

COFFEE

Area - hectares	903	840	840	840	835
Production - tonnes	867	1,023	1,471	1,135	1,140
Sales - tonnes	890	1,143	1,616	1,085	847
Net sales proceeds - KShs '000/tonne	290	221	135	163	181

RESULTS

	KShs '000	KShs '000	KShs '000	KShs '000	KShs '000
TURNOVER	955,799	643,287	525,856	423,498	462,843

Profit before taxation and minority interests	209,182	170,922	104,300	106,220	197,052
Taxation	(84,865)	(69,157)	(38,282)	(29,709)	(66,800)

Profit after taxation but before minority interests	124,317	101,765	66,018	76,511	130,252
Minority interests	(2,611)	(2,253)	(2,574)	(137)	(2,201)

Profit attributable to members of Sasini Tea And Coffee Limited	121,706	99,512	63,444	76,374	128,051
Dividends	(114,028)	(76,019)	(63,349)	(76,019)	(101,358)

Retained profit for the year transferred to reserves	7,678	23,493	95	355	26,693
--	-------	--------	----	-----	--------

ASSETS EMPLOYED

Fixed assets	2,050,434	2,010,459	2,010,958	2,036,547	310,203
Capital work in progress	596	643	16,037	--	--
Investments	111,940	87,800	88,674	84,707	55,070
Net current assets	198,000	225,052	183,540	175,286	248,601
	2,360,970	2,323,954	2,299,209	2,296,540	613,874

FINANCED BY:

Share capital	190,046	126,697	126,697	126,697	126,697
Reserves	2,087,021	2,113,965	2,090,472	2,090,377	461,188

Shareholders' funds	2,277,067	2,240,662	2,217,169	2,217,074	587,885
Minority interests	83,903	83,292	82,040	79,466	25,989

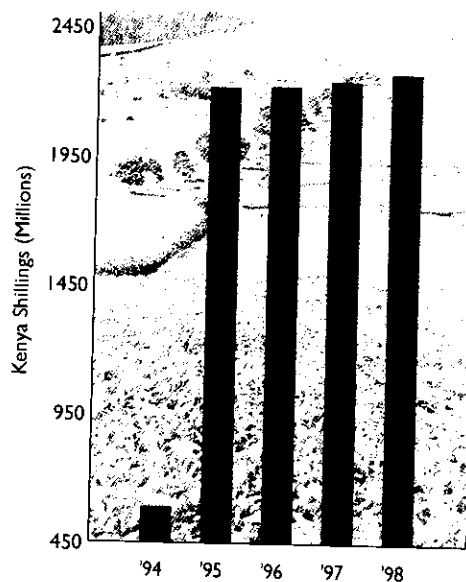
NET ASSETS	2,360,970	2,323,954	2,299,209	2,296,540	613,874
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RATIOS

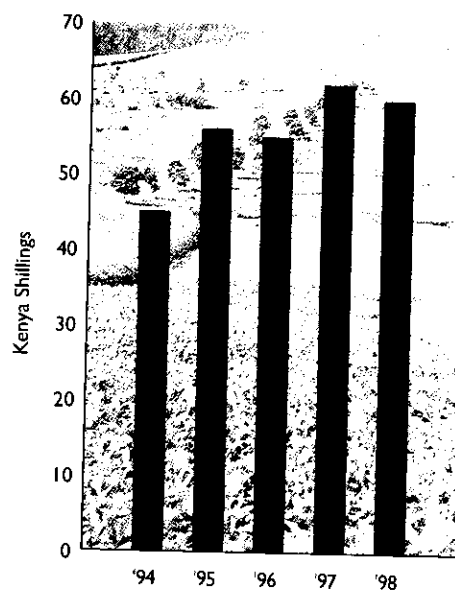
Earnings per share - KShs	3.20	2.62	1.67	2.01	3.37
Dividends per share - KShs	3.00	3.00	2.50	3.00	4.00
Dividend cover - Times covered	1.07	1.31	1.00	1.00	1.26
Net assets per share - KShs	62.12	61.14	60.49	60.42	16.15

The earnings and net assets per share for prior years have been restated to take account of subsequent bonus issues.

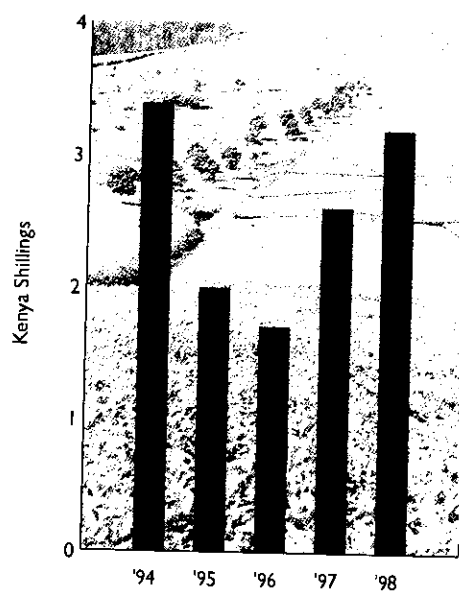
GRAPHICAL HIGHLIGHTS



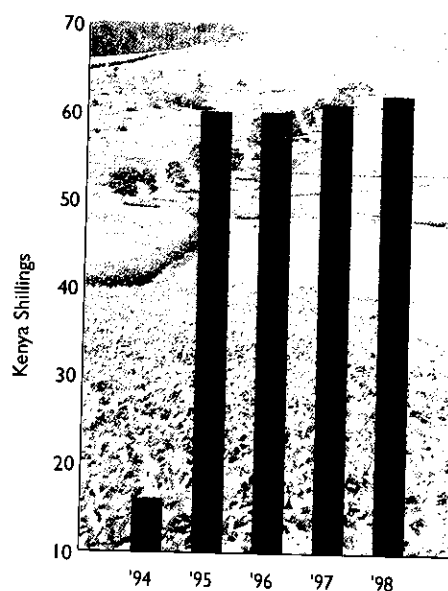
SHAREHOLDERS' FUNDS



KENYA SHILLING / US DOLLAR RATES



EARNINGS PER SHARE



NET ASSETS PER SHARE

The earnings and net assets per share for prior years have been restated to take account of subsequent bonus issues.

31
FORM OF PROXY
Annual General Meeting

I/We _____

Mimi/sisi _____

of _____

wa _____

being a member/members of Sasini Tea and Coffee Limited, do hereby appoint _____
nikiwa/tukiwa mwanachama/wanachama wa Sasini Tea and Coffee Limited, namchagua/twamchagua

or failing him/her _____
au akikasa yeye

the duly appointed Chairman of the meeting to be my/our Proxy, to vote for me/us at the Annual General Meeting of the Company to be held at Grand Regency Hotel, Nairobi, Kenya on Thursday, 25th February, 1999 and at any adjournment thereof.

mwenyekiti aliyechaguliwa wa mkutana kuwa kama mwakilishi wangu/wetu, kupiga kura kwa niaba yangu/yetu kwenye mkutana mkuu wa mwaka wa kampuni utakaofanyika katika Grand Regency Hotel, Nairobi, Kenya siku wa Alhamisi 25 Februari 1999 na kwenye uahirishwaji wake wawate.

As witness my/our hand(s) this _____ day of _____ 1999.
Kama ushahidi wangu/wetu hii siku ya _____ mwezi wa _____

Signature _____
Sahihi

Unless otherwise instructed, the proxy will vote at his/her discretion.
Isipokuwa ikishauriwa vingine, mwakilishi atapiga kura anavyoonelea mwenyewe.

Notes:

Maelezo:

- (1) To be valid this proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time appointed for holding the meeting.

Ili kuwa halali, formu hii ya uakilishi lazima ifikishwe kwenye ofisi iliyoandikishwa ya kampuni kwa muda usiopungua masaa arobaini na nane kabla ya wakati uliuchaguliwa wa kufanya mkutana.

- (2) If the appointer is a corporation, the proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.

Ikiwa mwanachama ni shirika, uwakilishi uwe kwenye muhuri wa kawaida au kwa idhini ya afisa au mwanasheria alioidhinishwa kwa maandishi.

FOLD 2

STAMP

THE SECRETARY
SASINI TEA AND COFFEE LIMITED
P O BOX 30151
NAIROBI
KENYA

FOLD 1

FOLD 3

INSERT FLAP INSIDE

