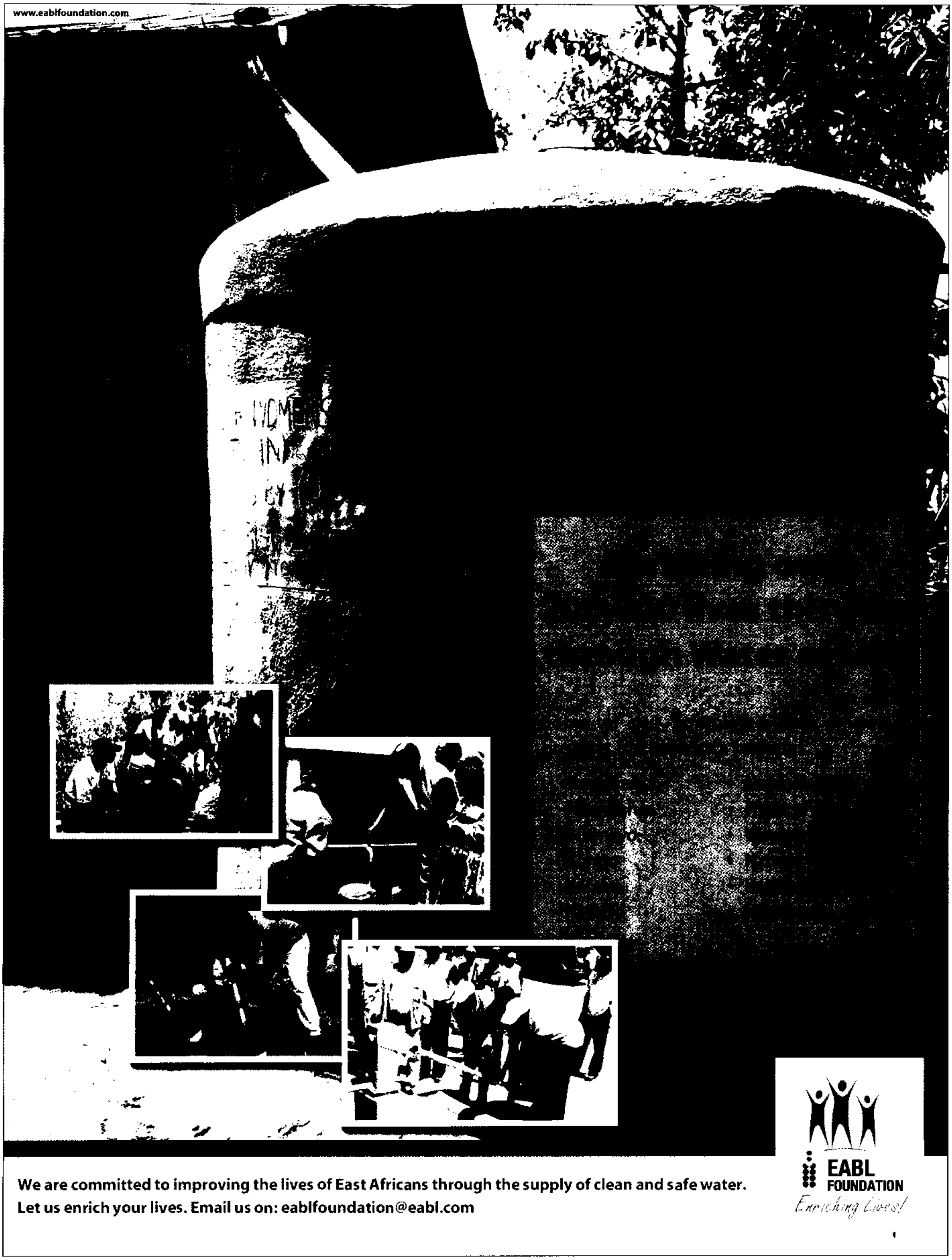
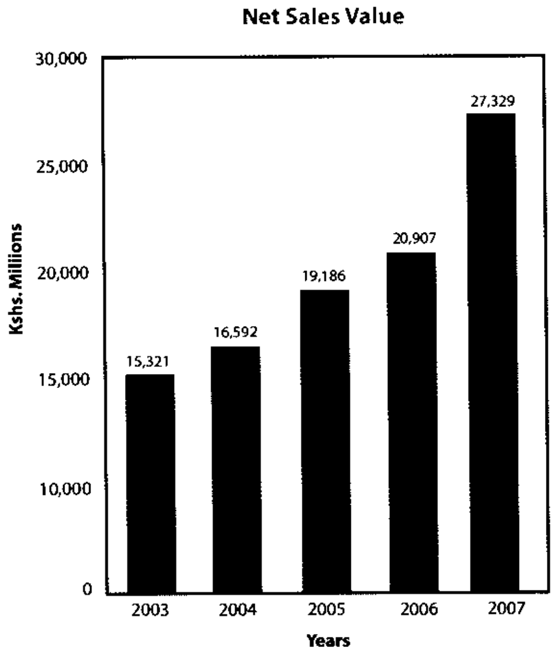
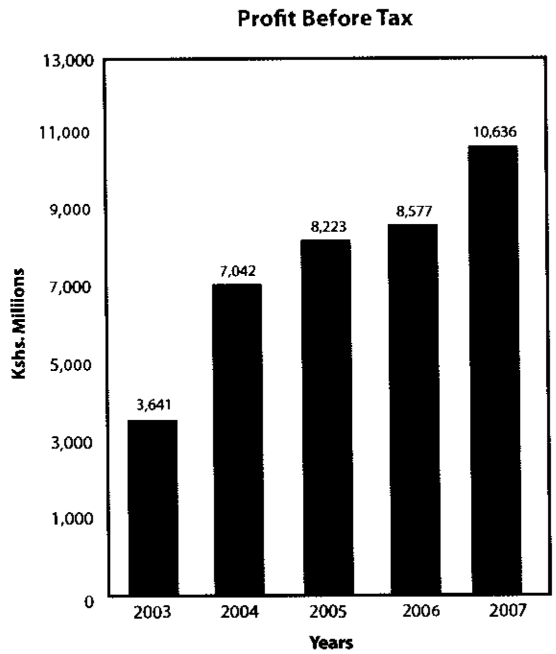
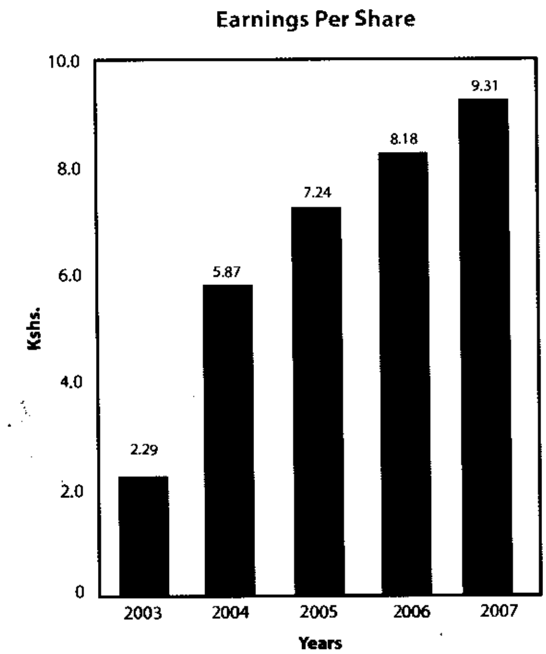
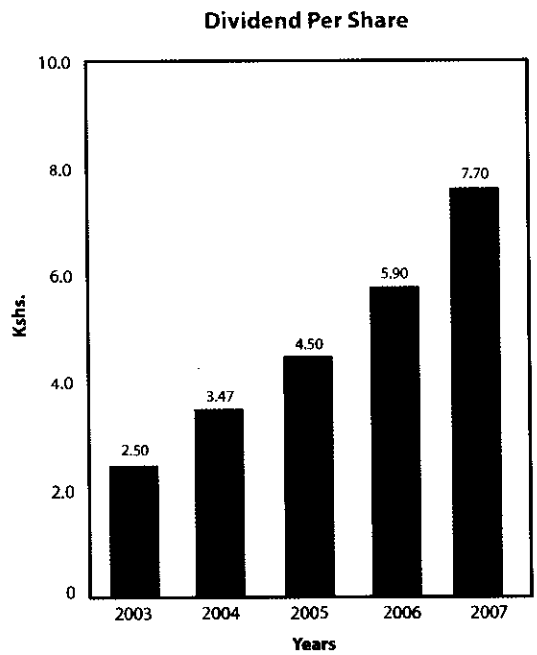

www.eablfoundation.com
We are committed to improving the lives of East Africans through the supply of clean and safe water.
Let us enrich your lives. Email us on: eablfoundation@eabl.com
EABL FOUNDATION
Enriching Lives!

Financial Highlights - 2007









EAST AFRICAN BREWERIES LIMITED

An Outstanding Year

Jeremiah Kiereini
Chairman

Gerald Mahinda
Group Managing Director

'Our performance this year far exceeded expectations and strategic investments in our people, processes, brands, partners and communities have helped build a strong foundation for future success.'

Strong Results

East African Breweries Limited (EABL) achieved remarkable returns in 2006 benefiting our shareholders, employees, brands, business partners and communities.

The Company continued to integrate and unify business processes, leading to greater efficiency and improving our leading position in the marketplace. Our operating profits for the year were Ksh 10.6 billion compared to Ksh 9.0 billion recorded last year. Growth in our Uganda operations surpassed all expectations despite ongoing energy challenges, with sales volume rising 26%, led by mainstream spirits. Beer volumes in Uganda increased 22%.

Performance in our East African market was driven by a 30% growth in volumes, led by Tusker, Guinness and Senator Keg and Senator in Uganda. Company-wide, we renewed our commitment to reducing the Cost of Goods Sold (COGS) by implementing various projects, leading to an overall decrease of 27%.

Innovations to Fuel Growth

We are committed to exceeding our consumers' expectations by introducing new, innovative products to the market. We diligently research the changing tastes of consumers to introduce new products and strategies, including the launch of VAT 69 Scotch Whisky and the first national consumer promotional activities for Johnnie Walker, Smirnoff and Baileys.

Strategies for Success

We also recognize that investing in our employees is a key strategy for success. In the past year, we have recruited and trained more sales and administrative staff and we initiated plans to open a Tusker Academy to develop and sharpen the capabilities of our sales and distribution staff. Talent investment continues in the production department as well.

EABL marketing team receive Superbrand awards far Pilsner, Tusker and Smirnoff.

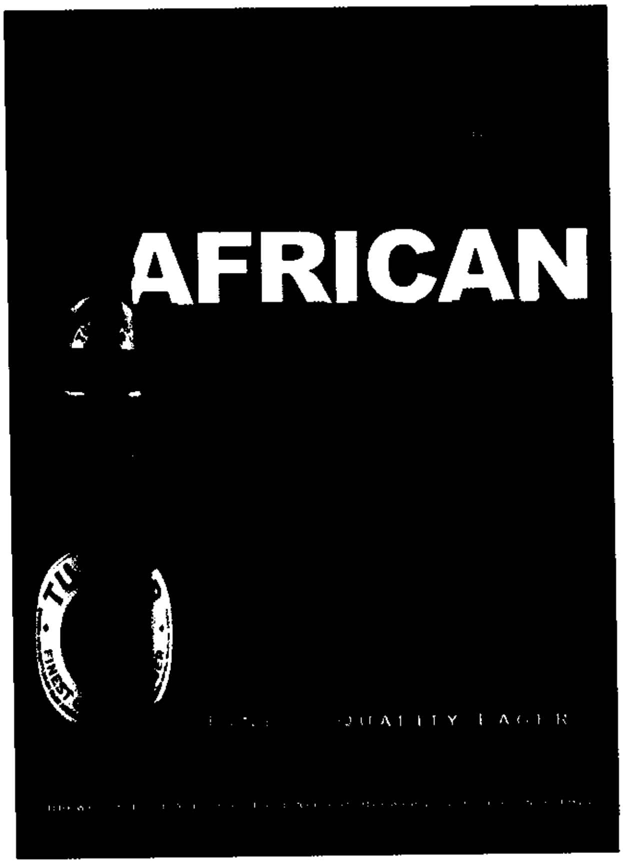
An Outstanding Year

State-of-the-art Investments

In addition to investing in our employees, we have dedicated significant resources to upgrading our production and processing capabilities. In Kenya, we installed a new packaging line to boost our bottled beer capacity, leading to record sales last December. A fourth filling line raised our Senator Keg production capacity by 30%, and we plan to install a new Mash Conversion vessel, another Mash Filter, two more Dual Purpose Vessels and modern beer filtration streams. These investments are aimed at meeting customer demand, increasing our efficiency and growing profits. In Uganda, heavy Capex investment is also ongoing and on schedule.

We targeted our glass sector for improvement, leading to full furnace utilization for the first time. Performance doubled in volume and surpassed all expectations in 2006; we are currently supplying the whole East African market and our operations have recently expanded to include Malawi, Angola and Namibia.

Barley production increased, a trend primarily attributed to the growing popularity of Senator Lager. New varieties were recently pre-approved by Kenyan authorities, meaning that farmers will have access to more resilient, productive varieties in the near future. In Uganda, newly-introduced barley growing projects are a huge success especially in the Kapchorwa region. To date, 4,000 farmers have been trained and enlisted countrywide.



'While the popularity of our brands continues to grow in East Africa, so does our commitment to ensuring that our products are enjoyed responsibly.'

Our malting plant has also realised gains, substantially improving production volumes and the quality of malt. A new refrigeration plant, the refurbishment of steeping vessels and the installation of another boiler coupled with additional investments next year should increase our output significantly.

Building Our Brands

In addition to property, plant and equipment investments, we have dedicated significant resources over the last year to building our brands. Tusker Project Fame, the first reality TV show of its kind featuring local musicians from East Africa, was received favourably by television viewers and helped raise the profile of our leading Tusker brand. We also co-sponsored the 35th IAAF World Cross Country Championships in Mombasa through our new Tusker Sports brand.

Throughout East Africa, Guinness launched its 'Greatness' campaign which has proved

An Outstanding Year

popular with consumers, demonstrated by the enhanced performance of the brand. Various activities promoting Senator and Senator Keg line were also received favourably.

We expanded our marketing efforts in Uganda, with activities highlighting Bell Lager in particular. Senator Lager, Uganda Waragi, and Guinness also launched popular campaigns.

In Tanzania, our 20% shareholding in Tanzania Breweries has been rewarding and our main brand Tusker has grown to the point of commanding a 12% market share.

E-green team member plants trees.

Encouraging Responsibility

While the popularity of our brands continues to grow in East Africa, so does our commitment to ensuring that our products are enjoyed responsibly. In 2006, we dedicated Ksh 125 million to promote responsible drinking. Our multi-pronged approach has reached a wide variety of stakeholders including bartenders, advertisers and the general public. We have also hosted workshops and forums focusing on underage drinking, among other activities.

One of the most significant ways that we can contribute to the responsible enjoyment of our products is by working with government officials and third parties to develop national alcohol policies. Our efforts in Kenya and Uganda are beginning to bear fruit.

Community Projects

Investing in the communities in which we operate is another of our core business strategies. Through our EABL Foundation, we enriched the lives of an estimated 250,000 people in East Africa last year. Projects like Water for Life helped rehabilitate boreholes and provide clean water to thousands of East Africans, while our E-Green Team has planted tens of thousands of trees to help preserve the environment. Additionally, through our scholarship program, we continue to mentor and aid needy students including 20 students from Kenya Uganda and Tanzania this financial year.

In Tanzania, we are constructing an orthopaedic hospital wing in Arusha. In partnership with Diageo, we shall launch a sizable water project in Tanzania soon to benefit over 20,000 people.

The 'WE ID' initiative is launched. Left to right: Eric Kiraithe - Police Spokesperson, Ken Kariuki - Nabak Vice Chairperson, James Waweru - Nairobi PC, Francis Munyororo - PERAK Secretary.

EAST
AFRICAN
BREWERIES
LIMITED

An Outstanding Year

EABL Foundation assists the community in digging a borehole.

Our Competitive Edge

Our greatest asset as a business is our human resource. Our employees, and the hard-working individuals involved with our suppliers and distributors, make us 'the employer of choice' in East Africa. In the last year, we have worked hard to support these individuals through new programs emphasizing breakthrough thinking and inspirational leadership, and by building a unified Group structure so that we operate more as one company. Incentives like performance-based pay structures recognize measurable results among our best employees. Additionally, we continue to adhere to our Code of Business Conduct which supports integrity and good corporate governance throughout the Company.

Dividends

The Board is pleased to recommend a final dividend of Ksh 5.55 per share, which together with the interim dividend of Ksh 2.15 per share paid in April 2007 brings the full dividend for the year to Ksh 7.70. This represents a 34% increase compared to last year's dividend. Earnings per share is up 14%.

Taxation

Over the year, the year the Group has paid a total of Ksh 3.1 billion an increase of ksh 940 million over last year in both direct and indirect taxes to the National Exchequer of Kenya Uganda and Tanzania making us arguably the biggest taxpayer in the region.

Outlook

Looking to the future, we are committed to building an integrated, unified Group across all of our operations in East Africa. By investing in our people, innovative brand and marketing strategies, new technologies and community resource projects, we plan to raise the profile of EABL from the market leader in East Africa to world-class status. Our massive investment in Systems, Applications and Products (SAP) processes has enabled us to embark on a program of enhanced efficiency and planning capability.

SAP implementation will change the way our people work, streamlining our organization. Information will be more comprehensive and more readily available, enabling our organization to be more effective. Our entire sales force now have Blackberry wireless devices so that they can communicate in real time with the rest of the sales force. EABL has also invested significantly in IP telephony designed to increase efficiency and information transfer at the lowest possible cost and fastest speed.

Partners

Our efforts to grow and improve as a company would not be possible without the leadership of our talented Board of Directors, as well as our over 1,000 employees. Our consumers, retailers, distributors, suppliers and other business suppliers also deserve commendation for their hard work and loyalty. We hope to exceed their expectations in 2008 and look forward to growing profits and successes in the coming year.

J. G. Kierieni
Group Chairman

G. Mahinda
Graup Managing Director

Investing in Our People

Our Most Valuable Resource

Our human resources team continues to deliver competitive advantage to the business by introducing new talent and joining and aligning with other team members to form a formidable 'engine' that is strategy driven and extremely focused. In this way, our team is the envy of other companies in the local and regional environment. By focusing on the strengths of each individual and encouraging a positive, winning attitude among our staff we have earned the reputation of 'employer of choice'. We also recognize that the Diaspora is a great source of skills and experience, tried and tested in other economies, and a source of talent capable of delivering world-class service to our Company in both Kenya and Uganda. This also serves well our agenda of diversity and inclusion.

One Company, One Culture

We view the 'oneness' of our organisational outlook as an asset and imperative to our strategic initiatives. We nurture the unified culture of the Group by synchronising structures, centralising processes and aligning the hearts and the minds of all staff towards one common way of working, one common goal. We have also enhanced internal two-way communications to build teamwork.

We believe that the psychological empowerment enshrined in our 'msimamo' will continue to enable us to achieve our objectives:

We are one.
We empower and lead by example.
We live by our word to deliver exceptional results.

Cultivating Leaders

Our approach to leadership within the business has contributed immensely to our business performance over the last year. We identified inspirational leadership as one of our key strategic levers, developed a common definition of leadership and learned to recognize our strengths and opportunities in this area. We introduced 'breakthrough thinking' among our leadership team to enhance affinity, ownership of the strategy and interdependence. This has in turn enhanced the speed of execution of our various processes, the quality of our work output, and the reliability with which we achieve intended results. We are still in the early stages of our breakthrough thinking journey, but we trust that it will result in more effective and inspirational leadership in the coming year.

Staff engage in a team building exercise.

New Processes, Greater Rewards

We continue to focus on organizational effectiveness to maintain the right structures supporting our business strategies and to employ the right people possessing the right skills. We review and invest in our systems and processes regularly to ensure simpler, faster and better service, as well as increased efficiency and effectiveness leading to robust results. To this end, we implemented the SAP system (in all of our business units except East African Maltings Limited) in the last financial year, which will enable

Investing in Our People

The Human Resource team at their annual Away Day.

a more rigorous approach to conducting our business—from more effective procurement and payment procedures, to less complexity in processing sales orders and realizing cash from sales, to more efficient recording and reporting of transactions and preparation of other financial reconciliations. The SAP system is also driving a new culture within all the end users of the system, including greater discipline and rigour being applied to all transactions within the system. There is also a renewed focus on overall business performance management so that it is closely monitored and controlled, variances minimized, and continuous improvement initiatives put in place.

Incentive-Driven Growth

We have also implemented a programme of stunning incentives for all parts of the business to drive each team and assist in the delivery of mission targets. These, together with performance-related pay structures for our sales teams (recently introduced in Uganda to match those available to our Kenyan team), have enhanced our focus on measurable results and the achievement of daily, weekly and monthly goals. For retention purposes, our remuneration policies continue to be market-led and performance-driven.

Valuing Each Other

We believe that business success begins with how we interact with each other, how much support we give each other, our mutual respect, empathy and the ways we value each other. Integrity, then, becomes the hallmark of all our activities and we continue to emphasise our Business Code of Conduct, through which we embed good corporate governance at all levels within the business. This code includes a 'zero tolerance' policy for any behaviour that falls short of the Company's expectations.

e-Learning

We are also committed to ongoing investments in our people, plants and processes through e-learning programmes focusing on business leadership and other topics. Our employees can now access various world-class self-training tools including resources available through distinguished business schools in the world. Access to the company Intranet enables our employees to grow and learn at their own pace.

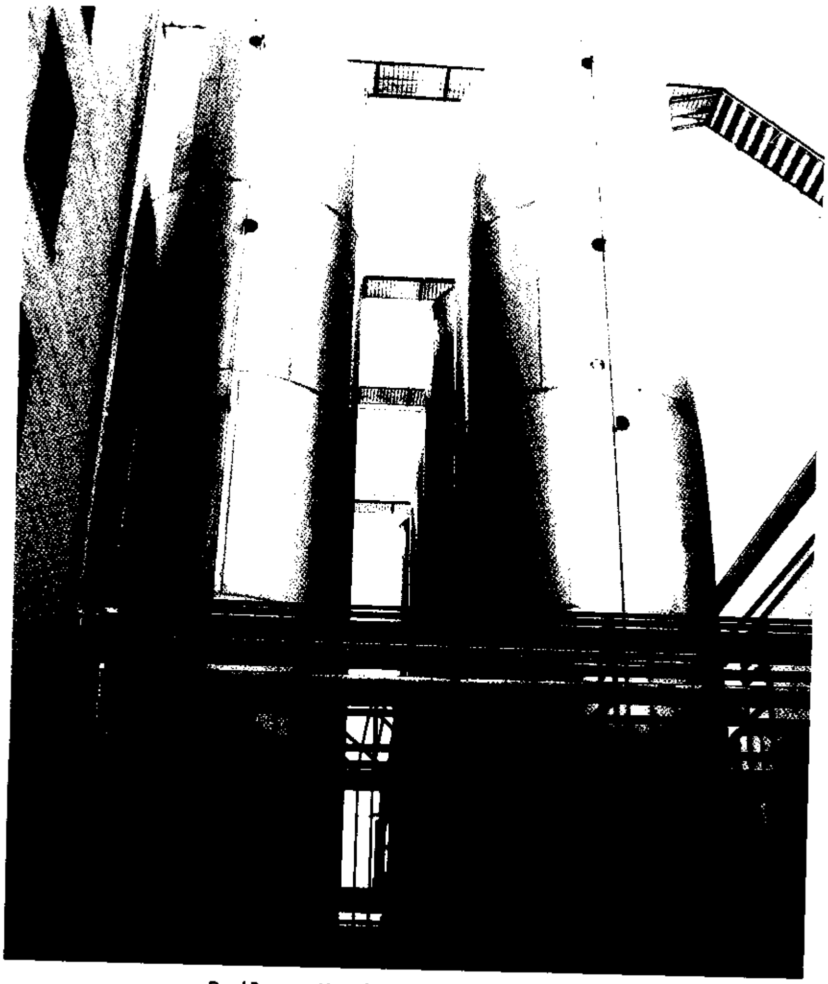
Improving Quality, Managing Costs

Quality Assurance

We continue to use the finest quality equatorial malt in processing of our our beers in East Africa.

We have a robust quality system in place, starting from raw materials to the packaging plant and right down to the market place.

This process is complimented by the quality system we have put in place as certified by the Kenya Bureau of Standards vis; ISO, EMS-Environmental Management system, Occupational Safety and Health Systems OHSAS. All our systems are subjected to periodical audits both internally and externally. We have in place a very robust consumer feedback system whose report is always taken into account by way of root cause analysis to improve our systems and processes.



Dual Purpose Vessels at the EABL - Uganda plant.

r glass business, we are continuing to invest in quality management and we earned ISO 9001 2000, EMS 14001 2004 and HACCP recertification as well as OHS 18001 1999. These certifications demonstrate to our customers that we operate a world-class glass plant.

In Uganda, our quality management systems have helped to build a strong foundation for our world-class business, which we constantly strive to improve. During the year, we subjected our systems to external audits, resulting in a number of internationally-recognized accolades including ISO 9001:2004 and HACCP certification, the environmental certification ISO 14001:2004 and UNBS recognition.

In all our activities we operate in an environmental responsible way to protect and enhance our people, brands and communities in which we work in and live. To achieve this goal we are committed to supporting environmental sustainability and biodiversity through continuous improvement and prevention of pollution as demonstrated by our heavy investment in a state of the art Effluent Treatment Plant.

Progress on Cost management

Optimizing cost of good sold per hectoliter declined by an impressive 21% despite inflationary pressure. Our commitment to cost management is strong and we expect to make a further 27% reduction in cost of goods sold per hectoliter by end of this financial year.

Sales & Marketing, Innovation & Development

To meet our goals this year, our sales and marketing agenda focused on three key areas for improvement involving a renewed focus on the customer, route-to-market initiatives and brand building activities.

Customer Focus

During the year, we restructured our entire sales organisation to focus more effectively on our customers. We doubled the number of our sales people in the field and augmented support services for the delivery of marketing activities. The benefits of our improved customer service and support initiatives are clearly shown by the growth of our sales.

Route-to-Market Initiatives

We have continued to implement a retail optimisation project focusing on improving route-to-market, distribution and capability building. Dubbed 'Project Sambaza', the programme includes a financing scheme targeted at our distributors in partnership with a local banking partner.

Group managing director Gerald Mahinda with Diageo staff and Kenyan community at Diageo HQ staff bar during the launch of Tusker in the UK.'

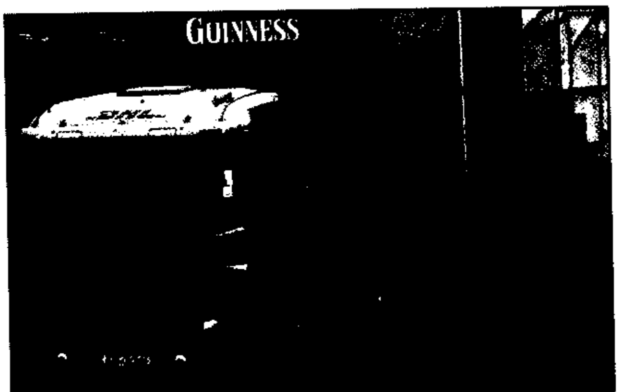
'We are working to boost our focus on the consumer to the next level by providing the ultimate experience for their responsible enjoyment.'

The implementation of SAP has also significantly assisted in improving service delivery. Going forward, we will soon launch Tusker Academy to continue to build capability for both our distributors and retail partners.

Brand Building Activities

We also worked to improve the implementation of marketing activities for our biggest brands, Tusker, Guinness and Richot. Our success was driven by superior implementation capacity and the timely execution of activities. The year included enhanced marketing activities aimed at rebuilding the equity of our brands in response to a heightened competitive landscape.

The early days: An EABL truck on a distribution run.



Product distribution trucks now upgraded for more efficiency.

In particular, we invested in new programmes like Tusker Project Fame, a first-time reality television show featuring East African musicians that was very well received in the market. We also launched the Tusker Sports brand which helped us to leverage brand exposure during the 35th annual IAAF World Cross Country Championships in Mombasa, an event that we co-sponsored. Other Tusker Sports activities included golf and rugby tournaments.

Guinness launched its "Greatness" campaign, which significantly improved the relevance of the brand for consumers as demonstrated by its sterling performance during the year. We also focused on new ways to drive the quality of the experience for lower-income consumers through localised activations involving our Senator Keg brand.

Finally, we enhanced our Spirits portfolio by launching VAT 69 Scotch Whisky, a brand that has received wide acceptance. This together with the first-time national consumer promotion for the Richot brand and activities involving Johnnie Walker, Smirnoff and Baileys helped deliver greater equity for this category of our portfolio.

Uganda Focus

In Uganda, we increased our sales footprint and improved customer relations. Our Bell Lager marketing team launched the first of a two-phase quality campaign to communicate the intrinsic values of the brand, like good taste and appearance. Bell Lager is also reaching consumers through music sponsorships, including the Pearl of Africa Music Awards. The Senator Lager team hosted a number of highly successful cultural galas targeted to attract the brand's core consumers.

The Uganda Waragi brand is now marketed in 100ml and 200ml bottles and continues to deliver results. "The spirit that binds us" campaign was launched during the year to enhance consumer perceptions of the Uganda Waragi brand. Guinness launched its "Greatness" campaign in Uganda. The brand first involved staff in promotional efforts and then rolled out trader and consumer-targeted campaigns. The Guinness team also sponsored rugby events in response to the increased popularity of the sport in Uganda.

SAP Generates Results

Investment

EABL has completed successfully a program to enhance its efficiency and planning capability by updating its technology, using the Systems, Applications and Products (SAP) software.

We have invested approximately Ksh 1 billion implementing the most comprehensive SAP platform in Eastern Africa.

This software allows companies to analyze information recorded in day-to-day operations, plus structured and unstructured information from across the enterprise, helping them to respond faster to market changes. The software is also able to integrate all the functions of an enterprise, making the flow of information simpler and faster.

Returns

Its implementation has already worked to improve efficiencies and reduce operation costs incurred where various different software programs are utilized in different sections of the business, building capacity across the group.

Our brewing, distilling, malt and glass-making subsidiaries will use SAP software applications this year to harmonize every aspect of our operations end-to-end, from manufacturing right through to product dispatch.

www.eabl.com

EABL NOW RUNS SAP

THE BEST-RUN BUSINESS RUN SAP

SAP

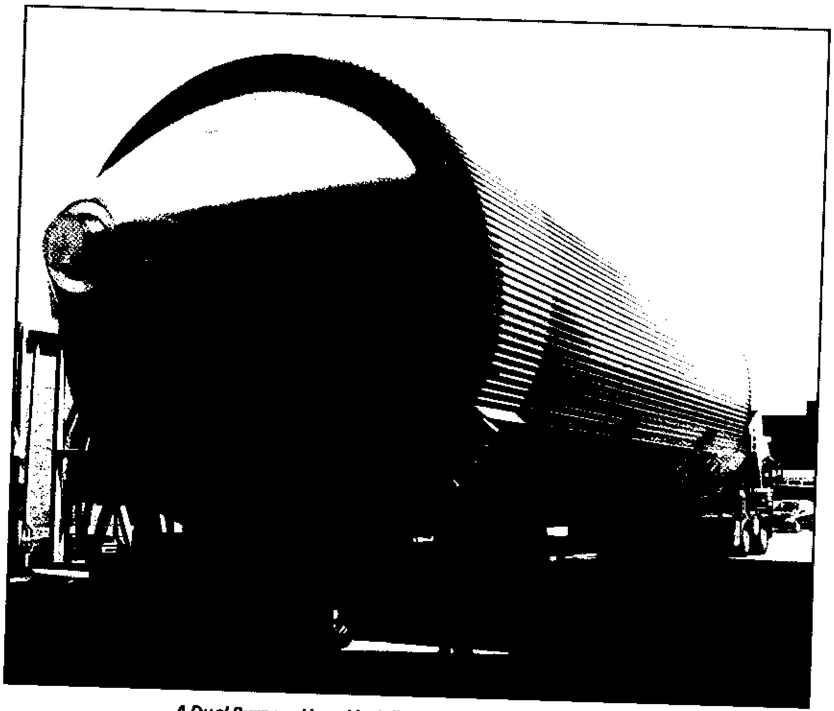
The success of SAP not only improves the way we work but also how fast we can deliver our product to the market. Access to expedient, quality sources of data allows us to know more about our business performance and more importantly, where to focus on changes or enhancements.

SAP implementation has changed the way our people work, making our organization more efficient.

Kenya

Beer volumes grew 30% during the year, a tremendous achievement. Our growth was mainly driven by the performance of Tusker, Guinness and Senator Keg.

We augmented our packaging capacity by installing a newly-refurbished line from our Kisumu plant in record time at a cost of Kshs 275 million. This investment allowed us to boost our bottled beer capacity significantly when we faced supply challenges, such as during the December 2006 peak season. As a result, operations in Kenya and Uganda sold a record volume of beer in December—a benchmark that EABL had never before achieved.



A Dual Purpose Vessel is delivered to the EABL-Kenya plant.

Investing Kshs 35 million in a fourth filling line allowed us to increase our Keg Line capacity by 30%. We also launched plans to increase our brewing, fermentation and filtration capacities beginning in May 2007. Additionally, we invested Kshs 900 million in another Mash Conversion vessel, a second Mash Filter, two 400,000 litre Dual Purpose Vessels and state-of-the-art filtration streams. These investments will increase our production capacity, reduce waste, lower costs and further improve the quality of our products.

Performance of our glass business more than doubled to 130% growth as compared to the previous year, with entire capacity taken up by our customers. For the first time in the history of the business, we sold over 35,000 tonnes of glass, which represents full furnace utilization. We continue to supply the whole Eastern African market and we recently expanded our portfolio to include Malawi, Angola and Namibia.

Our barley production for the year reached 90,000 tonnes, indicating a growth of 24% in demand. A record 4,632 tons of seed barley was delivered and is undergoing processing for planting in the current season and our barley improvement program has produced a further four varieties which were recently pre-released by the Kenya Plant Health Inspectorate. We also contracted with Lesiolo Grain Handlers, a modern grain processor, to handle all dry barley post-harvest processing. The facility is located in Nakuru in the heart of Kenya's barley growing district. Lesiolo Grain Handlers ensures that our barley is processed on time and that only quality material is transported to us in Nairobi.

A recent capital injection of Kshs 150 million has improved the production and quality of malt at our plant on Kampala Road, Nairobi. Our investment included a new refrigeration plant, refurbishment of our steeping vessels and the installation of another boiler. As a result, our malt quality index improved from an average of 79 last year to 83 this year. Additionally, our throughput increased by 22% from 23,000 tonnes to 29,000 tonnes. A further injection of Kshs 450 million is planned for the coming year to increase the malt output of the plant to 34,000 tonnes, fulfilling growing demand among the brewing units of EABL and sustaining our self-sufficiency in raw materials.

UDV(K) has had a very good performance in F07, growing both in profits and market share. We are harvesting synergies of integrating spirits manufacturing into EABL Ruaraka operations and investing in a new state of the art packaging line in the last financial year. UDV profits have grown by 98% over last year.

Our brands have continued to do well in the domestic market and registered overall, 60% growth. The growth was supported by innovation as well as good investment behind flagship brands e.g. Richot, Smirnoff, Smirnoff ice, Johnnie walker, Baileys and VAT 69. Richot had a very successful national consumer promotion getting the brand more entrenched in the market. We reintroduced VAT 69 back into the market and had it repositioned, giving whisky consumers very good value money. Our strategy to expend our ready to drink category by introducing Smirnoff Black Ice has worked well, with the category registering growth of 21% in F07.

The lower end of the spirits market has been experiencing huge growth and our participation in this segment through Kane extra golden has indeed been a success story. It has helped us recruit more consumers to formal spirits as well as fighting off competition.

We recognize the efforts the government is putting in place to regularize the industry by introducing tax stamps among others. All our products are now affixed with Kenya revenue authority tax stamp as evidence of tax compliance.

With the improved economic growth, UDVK is now very well positioned to exploit the domestic market potential further in the domestic market as well as the regional markets.

Canstructian af an aptical centre in Arusha, Tanzania which EABL Faundatian has spansared.

Uganda

Uganda Breweries Limited demonstrated remarkable performance during the year, with beer volumes increasing 22% and spirits 26% thanks in large part to the strong performance of Uganda Waragi and a renewed focus on the spirits market segment.

We commenced growing barley in Uganda by recruiting 4,000 small-scale farmers and our operations now include Kapachorwa and Bukwo in eastern Uganda and Kabale in south western Uganda, both suitable places to grow barley.

Barley production in Uganda operates through community-based organizations consisting of 50 small-scale farmers each. The farm units range from half an acre to three acres. Farmers have been trained in barley production by staff from East African Maltings-Uganda in partnership with USAID. We plan to use our new supply of barley from Uganda to brew Senator Lager, which attracts a low excise duty.

Tanzania

In Tanzania, our 20% shareholding in Tanzania Breweries has been rewarding and our main brand Tusker has grown to strong 12% of the market. Since the introduction of Malta Guinness in a can, overall growth has exceeded expectations. The EABL Foundation also continues to invest heavily in water, education and health in Tanzania.

Making a Positive Impact

Promoting Responsible Drinking

EABL has long held the position that the consumption of alcohol can be a part of a healthy and balanced lifestyle, while also acknowledging that if taken in excess, alcohol can lead to serious health and social problems. This position has led us to develop a sophisticated, multi-pronged campaign in all of our markets to encourage the responsible use of our products. In the last year, we have committed Kshs 125 million to advance our position on responsible drinking. To deliver our messages, we are actively engaging a diverse community of stakeholders through a variety of programmes, including:

Bartender Training

EABL has enlisted the support of bartenders to promote our responsible drinking agenda. Over the last three years, we have trained 3,500 bartenders and provided them with responsible serving techniques for dealing with underage patrons and customers who have had too much to drink. In the coming year, we plan to increase the tempo of this programme to reach more bartenders—probably the people who understand drinkers the best.

'Responsible drinking is everyone's concern for everyone's benefit. EABL will be at the fore-front of disseminating information enabling consumers to make informed choices.'

Advertising Campaigns and Media Outreach

We developed adverts for billboards, newspapers, magazines, radio and television to promote our 'Drink Responsibly, Live Responsibly' motto. The ads are aimed at consumers, who are ultimately responsible for their own drinking behaviour. We also organized media workshops to aid journalists' understanding of alcohol abuse and help shape the way that alcohol abuse issues are portrayed in the media.

Marketing Code

EABL is committed to effective self-regulation in the alcohol industry, setting world-class standards and ensuring that our brands are marketed and promoted responsibly. The company has initiated and implemented an international code of marketing which sets guidelines for the marketing and promotion of beverage alcohol brands. For example, the Code discourages promotions or advertisements that feature models younger than 25 years. We also ensure that all our brands carry a 'Not For Sale to Under 18s' label on their bottles. We also do not retail our brands though kiosks.

Employee Alcohol Policy

We have also implemented an Employee Alcohol Policy, which ensures that all EABL staff know and understand appropriate drinking behaviour. The policy covers important topics like drinking and driving, alcohol and the work place and problem drinking. All EABL staff are expected to demonstrate a responsible attitude to drinking.

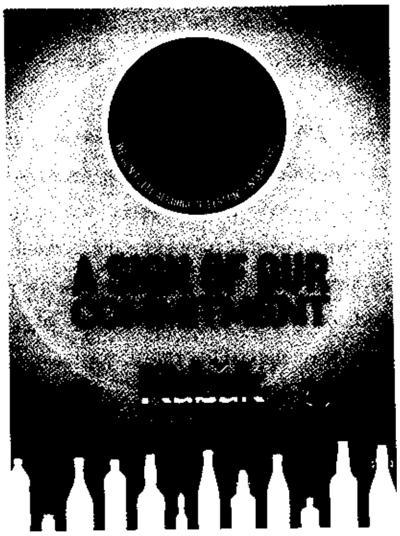
Weekly Column on Responsible Drinking

We facilitated a question-and-answer column featuring a prominent local doctor in the Friday editions of The Daily Nation newspapers. Through the column, consumers have an opportunity to ask questions about alcohol issues.

Founders of Nabak in Kenya toast to celebrate its successful launch.

Minister for Information & Communication Hon Mutahi Kagwe launches the book 'Drinking in Context', supported by EABL in line with its Responsible Drinking programme.

Making a Positive Impact



Preventing Underage Drinking

We hosted a forum this year including a wide range of stakeholders to discuss underage drinking. As a result, EABL worked with the National Alcohol Beverage Association of Kenya to launch the 'We ID' campaign and help stop underage drinking.

We are also working proactively with Ministries of Health in Kenya and Uganda to develop National Alcohol Policies, which will help industry leaders and policymakers address challenges like underage drinking.

EABL Foundation Corporate Social Responsibility

The past year has seen the EABL Foundation grow and enrich the lives of over 250,000 people in East Africa. A few highlights from the Foundation's work:

Fish Farming in Nakasongola

The recently-commissioned Ekitangala fish farm project in Nakasongola, Uganda, is coming to fruition with numerous fish now being bred at the ponds.

The Foundation donated Ushs 22.5 million to help construct a borehole at the fish farm. The borehole now provides water to the farm's six ponds and also for domestic use by surrounding communities.

The farm's fish will be ready soon for harvest. It has employed an estimated 50 local workers and serves as a training ground for community learning. The Ekitangala fish farm also provides health facilities to Katooge Sub-Country, one of the poorest areas in Uganda.

Water of Life

Over 60% of community-owned boreholes in Kajiado District in Kenya are not in operation due to poor local management. The area was severely affected by famines in 2004 and 2006 and the people, who live on communal farms, have lost a large number of their livestock—their only source of livelihood.

The Foundation's Water of Life programme, partnering with AMREF-Kenya and the community, worked to rehabilitate four boreholes in the area. The Foundation's contribution of over Kshs 5.7 million will benefit more than 5,000 people and their livestock.

Community members in Kabale, Uganda are taught how to build rain water tanks.

A farmer harvests fish at the Ekitaangala Water of Life project in Uganda.

Employees of EABL, led by a EABL Foundation Trustee, Mr. James Karegi, helped lay the foundation for a new tank that will serve as a central collection point for water from the boreholes.

In Uganda, we have contributed to water projects in Kabale and Kapchorwa. Additionally, a Rainwater Harvesting Centre has been commissioned in Kabale. In the coming year, we are planning to reach even more Ugandans with our water initiatives.

Donation to International Hospital Kampala

The Foundation made an investment in the International Hospital Kampala towards the purchase of beds and patient treatment. The sponsorship, worth Ushs 27.2 million will aid less-fortunate patients who require high-quality care but cannot afford the costs.

Making a Positive Impact

E-Green Team and Kenya Wildlife Service during a tree planting exercise.

HIV/Aids

Increasing awareness through our Employee Alcohol Policy earned commendation from the Uganda Business Coalition against HIV/Aids. Our company-wide comprehensive workplace HIV/Aids Policy provides lifelong treatment for staff and dependents.

Optical Centre in Moshi

The Foundation contributed to the construction of an Optical Centre within the Kilimanjaro Christian Medical Centre in Moshi, Tanzania.

The EABL Foundation Optical Centre will be the only medical clinic in the area that will provide dedicated medical assistance and surgery for eye problems. The clinic will benefit more than 10,000 people living in Moshi and Arusha.

People who suffer from blindness or partial blindness will have access to medical assistance and operations, allowing many to return to work and care for their families.

The construction of the centre has begun and is likely to be completed at the end of 2008.

E-Green

E-Green, an EABL staff-driven environmental initiative, planted over 2,000 trees in the Ngong forest sanctuary in Nairobi, which has been deforested by neighbouring communities.

The Foundation also donated Kshs 200,000 to the Ngong Road Forest Sanctuary Trust, a lobby group that advocates for the reforestation of the Ngong Forest Sanctuary.

The forest, located about six kilometres from Nairobi city centre, has been under threat from loggers, local communities and land grabbing.

E-Green has also planted trees in Mau Narok and Gatanga in Kenya as well as Kkoba Forest, Namanve and at the Uganda Breweries plant in Uganda. E-Green's mission is to encourage environmental awareness by inspiring and empowering staff and local communities.

Scholarship Awards for 2007

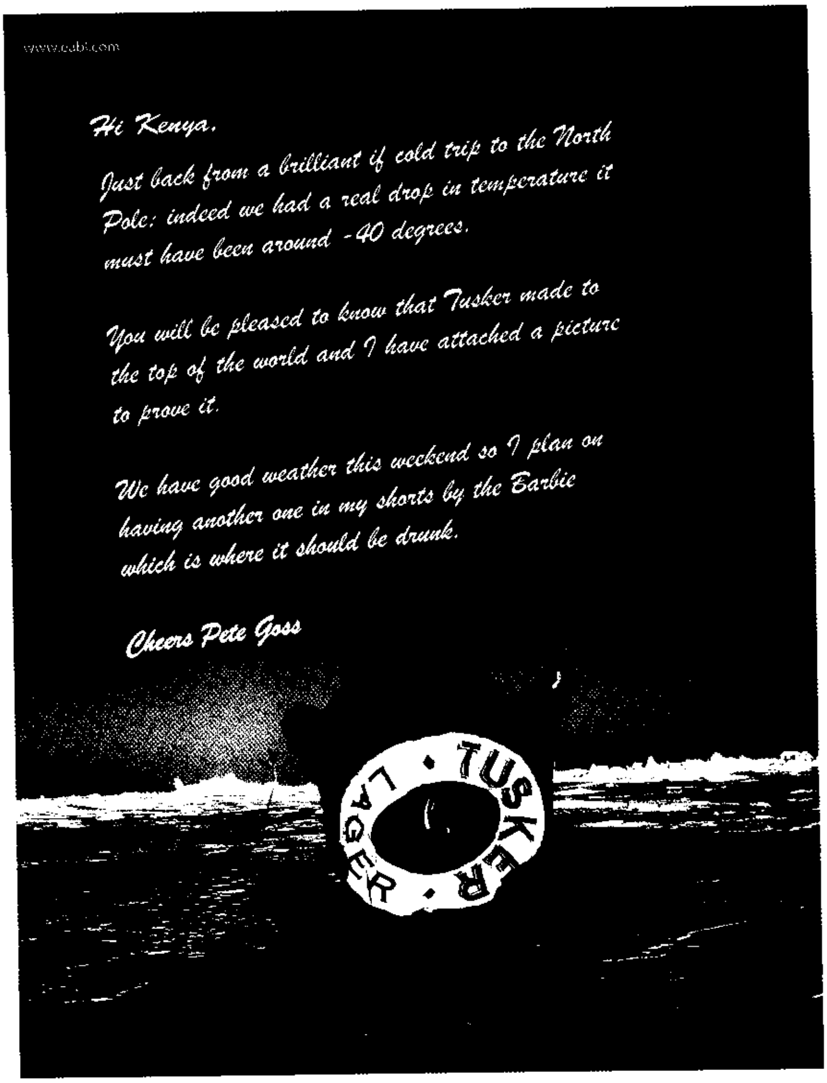
Fourteen academically bright but needy high school graduates from Kenya, Uganda and Tanzania have been offered EABL Foundation Scholarships to attend degree courses in universities across East Africa. The 14 scholars were selected from over 7,000 applicants. The total value of the scholarship award is Kshs 19 million.

Each scholarship includes tuition and accommodation costs for the four-year study period. The students will also receive a monthly stipend for the duration of their studies as well as mentoring and internship opportunities at EABL subsidiary companies. This is the seventh year that EABL Foundation Scholarships have been awarded, with 70 students benefiting from the Foundation's Kshs 90 million investment.

Prenatal Care

Kirwara Health Centre in Central Kenya received an ultrasound machine for prenatal care worth over Kshs 1 million. By contributing the machine, the Foundation will help ease the travel burden for expectant mothers. The next-closest hospital with an ultrasound machine is 30 kilometres away.

Visiting tourists in Kenya, who acquired a taste for Kenya's trademark beer Tusker Lager, were so taken by its taste that they decided to take it with them on an epic expedition to the North Pole.



Pete Goss an international motivational speaker and sailor thought it would be a never done before idea to take a Tusker and Tusker flag to the magnetic pole. He however said the beer had to be unfortunately consumed shortly before it could reach its destination as it would have remained frozen for years, but the flag did survive the harrowing expedition to reach the northernmost point in the world.

"I first heard of Tusker during my visit in Kenya and fell for it as soon as I had a cold one after a hot day - I can still see the condensation and taste it now," Goss said.

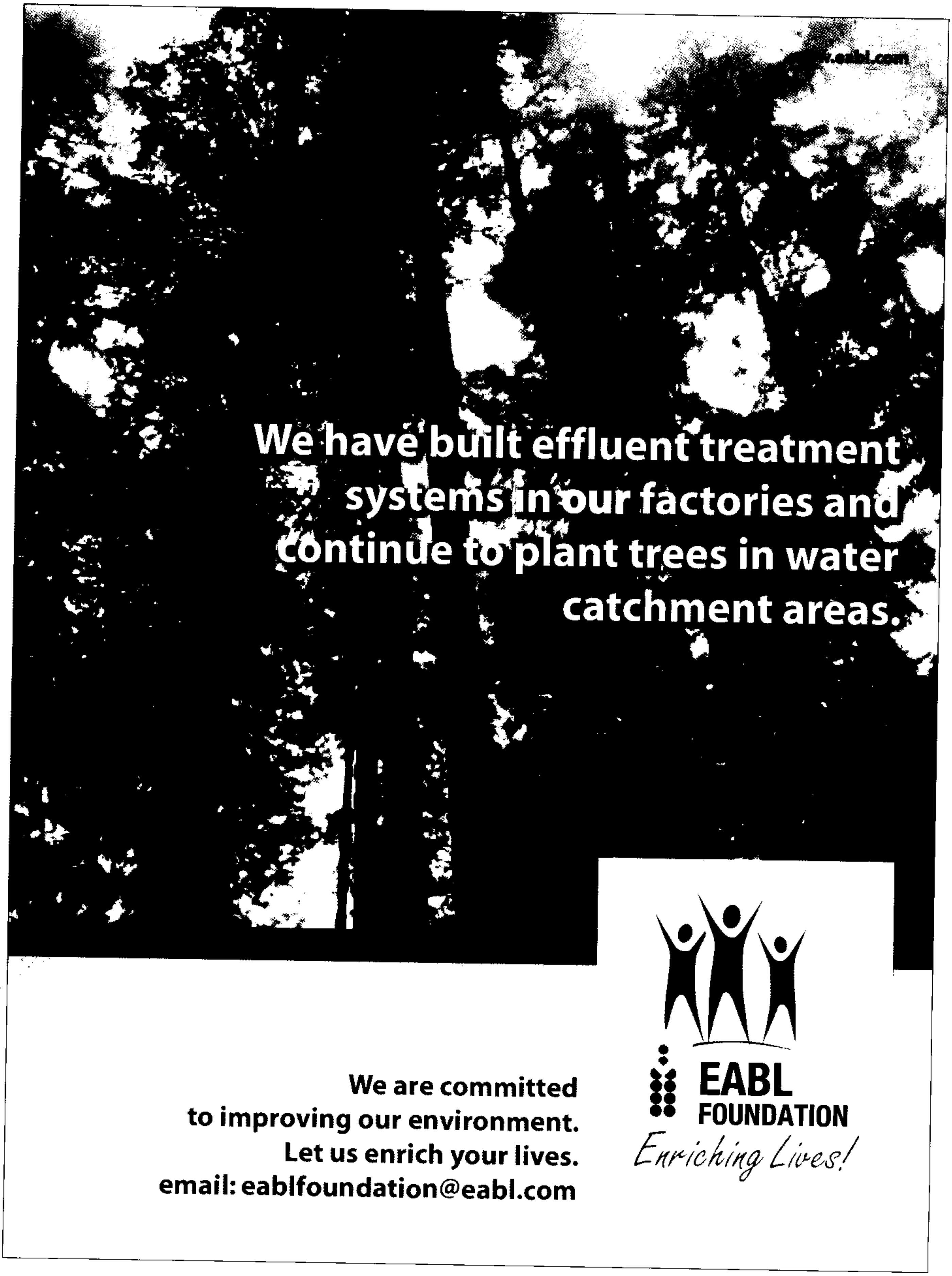
Goss who is one of the few people to have sailed around the world twice said he was drawn to he pole after reading about it books by great explorers made the decision to experience it personally. This was his fourth visit.

"I fell in love with it the first time and now run a small business where we train novices and then take them to stand at the top of the world, which is.just the most amazing thing to do," he said.

It was during this fourth visit that he brought along a bottle of Tusker. " I took only one as the temperatures were very extreme at the North Pole. I had to carefully nurse it against freezing."

In his opinion, Tusker Lager is a world-class beer. "I have tasted many beers all over the world and Tusker has what it takes. The other thing I like, as a bit of a romantic, is the brand and history. How can you not relate to a story, country and heritage like that? I'll always be an ambassador."

Not many can claim to have such an expedition on their belt and now we have Kenya's own Tusker Lager to add to the exclusive few.


We have built effluent treatment systems in our factories and continue to plant trees in water catchment areas.
We are committed to improving our environment.
Let us enrich your lives.
email: eablfoundation@eabl.com
EABL FOUNDATION
Enriching Lives!

Mwaka wa Mafanikio

Jeremiah Kiereini ***Mwenyekiti***

Gerald Mahinda ***Mkurugenzi Mkuu***

'Matokeo yetu mwaka huu yalizidi matarajio na uwekezaji wa kimikakati katika wafanyikazi wetu,taratibu, bidhaa, washirika na jamii, umesaidia kujenga msingi thabiti kwa ufanisi wa siku zijazo'

East African Breweries Limited (EABL) ilikuwa na mafanikio makubwa mwaka wa 2006 na kufaidi wadau wetu wakiwemo wenye hisa, wafanyikazi, bidhaa mbalimbali, washirika wa ki-biashara na jamii mbali mbali.

Kampuni iliendelea kushirikisha na kuunganisha taratibu za biashara, na kusababisha kuimarika kwa utendaji kazi na kuboresha ustadi wetu katika masoko. Faida yetu ya utekelezaji kwa mwaka huo ilikuwa Ksh 10.6 billioni ikilinganishwa na Ksh 9.0 billioni zilizopatikana mwaka uliopita. Ukuaji katika shughuli zetu nchini Uganda ulizidi matarajio yote licha ya matatizo ya kawi yaliyoko sasa, ambapo mauzo ya jumla yaliongezeka kwa asilimia 26, yakiongozwa na vinywaji vikali maarufu. Kiwango cha pombe iliyotengenezwa nchini Uganda kiliongezeka kwa asilimia 22.

Biashara katika soko letu la Afrika mashariki ilichochewa na kiwango cha ukuaji cha asilimia 30, ikiongozwa na Tusker, Guinness, Senator Keg na Senator nchini Uganda. Kampuni nzima ilijitolea upya katika juhudi za kupunguza gharama ya bidhaa zinazouzwa (COGS) kwa kutekeleza miradi mbali mbali, iliyopunguza gharama kwa asilimia 27 kwa ujumla.

Uvumbuzi wa kuchochea Ukuaji

Tumejitolea kutekeleza zaidi ya matarajio ya wateja wetu kwa kuanzisha bidhaa mpya za uvumbuzi kwenye masoko. Sisi huchunguza kwa makini mabadiliko ya ladha kwenye wateja wetu ili kuanzisha bidhaa mpya na mbinu, ikiwemo kuanzishwa kwa mvinyo wa VAT 69 Scotch Whisky na shughuli ya kwanza ya kitaifa ya uhamasishaji juu ya Johnnie Walker, Smirnoff na Baileys.

Mbinu za Ufanisi

Tunatambua pia kwamba uwekezaji katika maswala ya wafanyikazi ni mbinu mwafaka ya ufanisi. Katika mwaka uliopita, tumeajiri na kuwapa mafunzo wafanyikazi wengi zaidi wa uuzaji na usimamizi, na tukaanzisha mipango ya kuanzisha shule ya Tusker Academy ili kukuza na kuimarisha uwezo wa wafanyikazi wetu wa uuzaji na usambazaji. Uwekezaji wa vipaji kadhalika unaendelea katika idara ya uzalishaji.

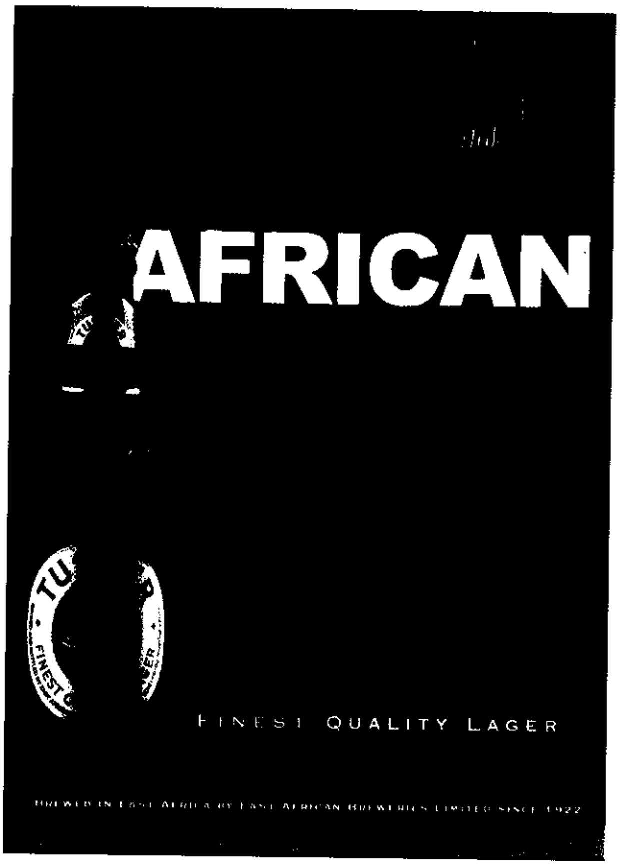
Kundi la Uuzaji la EABL lapokea tuzo za bidhaa bora kwa Pilsner, Tusker na Smirnoff.

Uwekezaji katika mitambo ya hali ya juu

Pamoja na kuwekeza katika maswala ya wafanyikazi, pia tumetenga kiasi kikubwa cha rasilimali katika kuimarisha uwezo wa uzalishaji na utayarishaji. Nchini Kenya tuliweka aina mpya ya upakiaji ili kuongeza kiwango cha pombe zinazouzwa kwa chupa, jambo ambalo lilisababisha mauzo makubwa kufikia mwezi desemba mwaka uliopita. Aina ya nne ya upakiaji iliongeza uzalishaji wa pombe ya Senator Keg kwa asilimia 30, na tumepanga kuweka chombo kipya cha kubadili machicha, kichungi kingine cha machicha, Vyombo viwili zaidi vya huduma mara mbili na mifereji ya kisasa ya kuchunga pombe, hayo yote kwa lengo la kutimiza matakwa ya wateja, kuboresha ustadi, na kuzidisha faida. Nchini Uganda, uwekezaji mkubwa wa Capex unaendelea kulingana na mpango.

Tulilenga kuimarisha biashara ya gilasi, hata kusababisha kutumika kikamilifu kwa tanuu zetu kwa mara ya kwanza. Biashara iliongezeka mara dufu na kupita matarajio yote ya mwaka 2006; kwa sasa tunauza katika eneo lote la Afrika mashariki na shughuli zetu zilipanuliwa ili kuhusisha Malawi, Angola na Namibia.

Uzalishaji wa shayiri uliongezeka, hali ambayo kimsingi imetokana na umaarufu wa pombe ya Senator Lager unaozidi kuimarika. Mbegu mpya za Shayiri ziliidhinishwa na serikali ya Kenya, hii ikiwa na maana kwamba hivi karibuni wakulima watakuwa na fursa ya kujinunulia mbegu bora na zinazotoa mazao mengi. Nchini Uganda, Mipango mipya ya kilimo cha Shayiri imepata mafanikio makubwa hasa katika eneo la Kapchorwa. Kufikia sasa wakulima 4,000 wamepewa mafunzo na kusajiliwa kote nchini humo.



'Huku umaarufu wa bidhaa zetu ukiendelea kukua Afrika Mashariki, ndivyo kujitolea kwetu kuhakikisha kwamba bidhaa zetu zinafurahiwa kwa uwajibikaji.'

Kiwanda chetu cha kimea cha pombe pia kimepata mafanikio, hivyo kuboresha zaidi viwango vya uzalishaji na pia ubora wa kimea. Mitambo mipya ya barafu, ukarabati wa vyombo vya usafirishaji na kuwekwa tangi lingine la maji moto pamoja na uwekezaji zaidi mwaka ujao utachangia sana ongezeko la viwango vya utoaji.

Kuboresha sifa ya Bidhaa zetu

Mbali na kuwekeza katika mali, viwanda na vifaa, tumetenga kiasi kikubwa cha rasilimali mnamo mwaka uliopita kujenga sifa ya bidhaa zetu. Mradi wa sifa ya Tusker (Tusker Project Fame), Kipindi cha kwanza cha Muziki wa televisheni kilichohusisha wasanii kutoka Afrika mashariki, kilifurahiwa sana na watazamaji na kuchangia umaarufu wa Pombe yetu ya Tusker. Pia tulishiriki katika udhamini wa makala ya 35 ya mashindano ya dunia ya mbio za nyikani za IAAF mjini Mombasa kupitia kwa pombe mpya ya Tusker Sports .

Kote katika Afrika mashariki, Guinness ilizindua kampeini yake ya "Greatness" ambayo imebainika kuwa maarufu miongoni mwa wateja, jambo linalodhihirishwa na kuimarika kwa biashara ya pombe hiyo. Shughuli mbali mbali za kukuza pombe ya Senator na Senator Keg pia zimepokewa kwa njia nzuri.

Tulipanua juhudi za uuzaji nchini Uganda, ambako shughuli zetu zinaangazia hasa pombe ya Bell Lager. Pombe za Senator Lager, Uganda Waragi, na Guinness pia zilizindua kampeini za umaarufu.

Nchini Tanzania, Umiliki wetu wa asilimia 20 ya hisa katika Tanzania Breweries umekuwa wenye manufaa na umaarufu wa pombe yetu muhimu Tusker umeongezeka hata kudhibiti asilimia 12 ya soko la nchi hiyo.

Kuhimiza Uwajibikaji

Kadri umaarufu wa pombe zetu unavyozidi kuongezeka katika eneo la Afrika mashariki, ndivyo kujitolea kwetu kunavyozidi katika kuhakikisha kwamba bidhaa zetu zinafurahiwa kwa uwajibikaji. Mnamo mwaka 2006, tulitenga Ksh 125 millioni ili kuhamasisha unywaji wenye kuwajibika. Mbinu zetu zimewafikia wadau wa tabaka mbali mbali wakiwemo wahudumu wa Baa,

Mwanachama wa kundi la E-green apanda miti.

wanaohusika na mapambo na matangazo ya biashara, na umma kwa jumla. Pia tumeandaa warsha na mikakati ya kuzuia watu walio na umri mdogo kunywa pombe miongoni mwa shughuli nyingine.

Njia moja muhimu zaidi ambapo tunaweza kuchangia burudani kamili ya bidhaa zetu kwa uwajibikaji ni kwa kushirikiana na maafisa wa serikali na wahusika wengine katika utungaji wa sera ya taifa juu ya pombe. Matunda ya juhudi zetu nchini Kenya na Uganda yameanza kuonekana.

Miradi ya Jamii

Uwekezaji katika jamii tunakoendesha shughuli zetu ni miongoni mwa mikakati yetu muhimu. Kupitia Wakfu wa EABL, tuliboresha maisha ya takribani watu 250,000 katika Afrika mashariki mwaka uliopita. Miradi kama ule wa Maji kwa uzima ilisaidia kukarabati visima na kutoa maji safi kwa maelfu ya wenyeji wa Afrika mashariki, Ilhali kundi letu la E-Green limesaidia kupanda maelfu ya miti ili kusaidia kutunza mazingira. Pia kupitia kwa mpango wetu wa misaada ya masomo, tumeendelea kuwapa ushauri na misaada wanafunzi wenye mahitaji wakiwemo wanafunzi 20 kutoka Kenya, Uganda na Tanzania mnamo kipindi cha sasa cha matumizi ya pesa.

Nchini Tanzania tunajenga kituo cha matibabu ya kasoro za mifupa huko Arusha. Kwa kushirikiana na Diageo tutazindua mradi mkubwa wa tangi la maji nchini Tanzania ili kufaidi zaidi ya watu elfu-20.

Kampeini ya 'WE ID' yazinduliwa. Kushoto kuelekea kulia: Eric Kiraithe - Msemaji wa Polisi, Ken Kariuki - Naibu Mwenyekiti Nabak, James Waweru - Mkuu wa Mkoa wa Nairobi, Francis Munyororo - Katibu PERAK.

EAST AFRICAN BREWERIES LIMITED

Mwaka wa Mafanikio

Wakfu wa EABL wasaidia jamii kuchimba kisima.

Umaarufu wetu wa ushindani

Tunachojivunia zaidi katika biashara ni wafanyikazi wetu wenye ujuzi. Wafanyikazi wetu na wengineo wenye bidii ambao hujihusisha na wasambazaji na pia wauzaji wa bidhaa zetu wametufanya kuwa kampuni inayopendelewa na wengi katika eneo zima la Afrika mashariki. Mnamo mwaka uliopita, tumefanya kila juhudi kuwaunga mkono watu hao kupitia mipango mipya inayosisitiza fikira za mafanikio na kuhimiza uongozi na pia kubuni utaratibu wa umoja wa makundi ili kuendesha shughuli zetu kama kampuni moja. Vishawishi kama vile mtindo wa malipo yanayotegemea bidii ya mtu vinatambua matokeo ya utendaji kazi miongoni mwa wafanyikazi wetu walio na bidii zaidi. Vile vile tunaendelea kuzingatia maadili mema na wafanyikazi wote kudumisha sifa nzuri ya kampuni.

Mgao wa Faida

Bodi inafuraha kupendekeza mgao wa faida wa mwisho wa Ksh 5.55 kwa kila hisa ambao pamoja na mgao wa muda wa Ksh 2.15 kwa kila hisa uliolipwa mwezi April 2007 unafanya mgao wote wa faida kwa mwaka huo kuwa Ksh 7.70. Hii inawakilisha ongezeko la 34% ikilinganishwa na mgao wa faida wa mwaka uliopita. Malipo kwa hisa yaliongezeka kwa aslimia 14%.

Ushuru

Katika kipindi cha mwaka huo kampuni ililipa jumla ya Ksh 3.1 bilioni ambalo ni ongezeko la Ksh 940 milioni kutoka mwaka jana katika ushuru wa moja kwa moja na usio wa moja kwa moja kwa hazina kuu za Kenya, Uganda na Tanzania na bila shaka kuifanya kuwa kampuni inayotoa ushuru mkubwa zaidi katika eneo hili.

Matarajio

Kulingana na matarajio yetu ya siku za usoni, tumejitolea kujenga kundi moja imara katika shughuli zetu, kote katika eneo la Afrika mashariki. Kwa kuweka katika watu wetu, bidhaa maarufu na mbinu za uuzaji, teknolojia mpya na miradi yenye manufaa kwa jamii, tunapanga kuboresha sifa ya EABL kutoka ngazi ya kampuni inayopendelewa na wengi katika Afrika mashariki hadi ngazi za kimataifa. Hatua yetu ya uwekezaji mkubwa katika shughuli muhimu ya marekebisho kwa kutumia taratibu,mbinu na maarifa ya tarakilishi(SAP) imetuwezesha kuzindua mpango wa kuimarisha utendaji kazi na pia ustadi wa kupanga.

Utekelezaji wa marekebisho ya SAP utabadili jinsi watu wanavyofanya kazi na kulainisha kampuni yetu. Habari zitakuwa bayana zaidi na pia kupatikana kwake kutakuwa rahisi na hivyo kuifanya kampuni hii kutekeleza majukumu yake kwa njia ifaayo zaidi. Wafanyikazi wote wa uuzaji sasa wana vifaa vya Blackberry wireless ambavyo vinawapa fursa ya kuwasiliana kila mara na wenzao wanaohusika pia na shughuli ya uuzaji. EABL imewekeza pia kiasi kikubwa cha pesa katika vifaa vya mawasiliano ya IP ambavyo vimeundwa hasusan kuimarisha utendaji kazi na ubadilishanaji habari haraka na kwa gharama ya chini zaidi.

Washirika

Juhudi zetu za kukua na kuimarika kama kampuni hazingeweza kupata mafanikio yanayohitajika bila uongozi bora wa bodi ya wakurugenzi, na pia zaidi ya wafanyikazi wetu 1,000. Wateja wetu, wauzaji wa reja reja,wauzaji wa jumla, na wagawaji wengine wa ki-biashara pia wanahitaji kupongezwa kwa bidii na imani yao. Tunatumai kuzidisha matarajio ya mwaka 2008 huku tukitatazamia ukuaji wa faida yetu na mafanikio mema mwaka ujao.

J. Kierieni
Mwenyekiti

G. Mahinda
Mkurugenzi Mkuu

Rasilimali yenye umuhimu zaidi

Maafisa wetu wanaendelea kutoa ushindani wa hali ya juu kibiashara kwa kukuza na kuunganisha talanta za kibinafsi na kisha kushirikisha talanta hizo kwa kubuni "mbinu mwafaka za malengo ya ukuaji". Kwa njia hiyo wafanyikazi wetu wanaonewa kijicho na kampuni nyingine za humu nchini na pia kanda hii. Kwa kuboresha uwezo wa kila mfanyikazi na kuhimiza hisia nzuri na zenye maendeleo, tumejipatia heshima ya "mwajiri anayestahiki" katika kanda hii. Pia tunatambua kwamba maeneo mbali mbali ndiyo chanzo cha maarifa na ujuzi ambavyo vimejaribiwa katika chumi zilizostawi na vinaweza kufanikisha huduma za kampuni yetu nchini Kenya na Uganda hadi viwango vya kimataifa. Hii ni kuambatana na lengo letu la ukuaji na kuhusishwa kwa wote.

Kampuni moja, Desturi Moja

Tunachukulia umoja wa mpangilio wa shughuli zetu kuwa mali na hatua yenye umuhimu mkubwa kwa mipango yetu ya ngazi za juu. Tunatilia mkazo desturi ya umoja wa wafanyikazi kwa kuwianisha taratibu, kuelekeza pamoja taratibu hizo hasa nyoyo na fikira za wafanyikazi katika njia moja ya kufanya kazi, kutimiza lengo moja. Pia tumeboresha mawasiliano kati ya wafanyikazi na wasimamizi katika juhudi za kukuza ushirikiano wa ki-kazi.

Tunaamini kwamba kuwapa wafanyikazi uwezo wa kisaikolojia Kuambatana na maongozi yetu ya "'msimamo"' kutaendelea kutuwezesha kutimiza malengo yetu:

Sote ni kitu kimoja.
Twawezesha na kuongoza kwa vitendo.
Tunaheshimu azma yetu ya kuafikia matokeo ya kipekee.

Wafanyikazi washiriki kwenye zoezi la kuimarisha ushirikiano.

Kukuza Viongozi

Mtindo wa uongozi wetu kibiashara umechangia sana ufanisi wa kampuni hii kwa kipindi cha mwaka uliopita. Tulitambua uongozi wa ushawishi kuwa mbinu moja muhimu, tukafafanua kwa pamoja maana ya uongozi na tukajifunza kutambua uwezo wetu na vipaji katika fani hii. Tulianzisha mtindo wa fikira za mafanikio miongoni mwa wasimamizi wetu ili kuboresha azma, umiliki wa mbinu na kutegemeana. Hatua hiyo kwa upande wake, imeongeza kasi ya utekelezaji wa shughuli zetu mbali mbali, Ubora wa juhudi zetu na mtindo wa kutegemea wa kuafikia matokeo. Tungali katika hatua za mwanzo za barabara hii ya "fikira za mafanikio lakini tunatumai kwamba tutakuwa na mafanikio mema zaidi mwaka ujao.

Taratibu mpya, Mafanikio zaidi

Tunaendelea kulenga ustadi wa taratibu zetu ili kudumisha zile zinazoweza kusaidia mbinu zetu kibiashara na pia kuvutia na kudumisha watu katika ujuzi ufaao. Kuambatana na hali hii, tumetekeleza utaratibu maalum wa marekebisho SAP (katika idara zote za kibiashara isipokuwa East African Maltings Limited) katika mwaka uliopita wa matumizi ya pesa, hali itakayoboresha zaidi hali ya utendaji kazi Kwa kukuza na kudumisha taratibu hadi njia rahisi za kutayarisha maagizo ya mauzo na upatikanaji wa pesa za mauzo hayo, kuweka rekodi bora za kumbukumbu na kutoa habari kuhusu shughuli za kibiashara sawia na kuwianisha shughuli nyinginezo.

Kuwekeza katika watu wetu

Kundi la Masuala ya Wafanyikazi katika siku yao ya mapumziko ya mwaka.

Utaratibu huo wa marekebisho SAP pia umeleta desturi mpya miongoni mwa watumiaji wa mwisho huku kukiwa na nidhamu ya hali ya juu na msimamo fulani ukizingatiwa katika kila hatua. Pia tumelenga usimamizi unaoleta faida ya jumla ki-biashara ili kuweza kuchunguzwa na kudhibitiwa kwa karibu, tofauti kuondolewa na mikakati ya uimarishaji wa mara kwa mara kuwekwa.

Vishawishi-Vya Ukuaji

Pia tumeratibu vishawishi vya aina zote za biashara zinazohitajika kwa kila kundi ili kusaidia katika kuafikiwa kwa malengo. Hayo pamoja na taratibu za malipo zinazoambatana na bidii za maajenti wetu wa uuzaji (Mtindo ulioanzishwa majuzi nchini Uganda ili kwenda sambamba na ule wa Kenya) yameboresha mtizamo wetu wa makadirio ya utendaji kazi na kutimizwa kwa malengo ya kila siku, kila wiki na kila mwezi. Ili kudumisha wafanyikazi wenye ujuzi sera zetu za malipo zimeendelea kuambatanishwa na ufanisi wa biashara na bidii ya wafanyikazi binafsi.

Kuthamini wengine

Tunaamini kwamba mafanikio ya biashara yanategemea jinsi tunavyotangamana, kusaidiana na kuheshimiana na juu ya yote jinsi tunavyothamini wenzetu. Hapo ndipo maadili mema yanatambuliwa kuwa msingi wa shughuli zetu huku tukidumisha sifa bora ya kampuni katika ngazi zote za biashara. Maadili hayo ni pamoja na kuto-vumiliwa kwa tabia yoyote ambayo haiambatani na matarajio ya kampuni.

Masomo kwa mtandao

Pia tumejitolea kuendelea na uwekezaji katika wafanyikazi wetu, Mimea na taratibu mbali mbali za mipango ya masomo kwa njia ya mtandao, ambayo inalenga uongozi wa kibiashara na masomo mengineyo. Wafanyikazi wetu sasa wanaweza kusoma kwa usaidizi wa vifaa vya kimataifa ikiwa ni pamoja na huduma za maktaba za shule ya kibiashara ya Harvard. Kuweko kwa huduma za internet za kampuni kunawezesha wafanyiakazi wetu kukua na kusoma kuambatana na uwezo wao wenyewe.

Hakikisho la Ubora

Tunaendelea kutumia kimea bora zaidi katika utayarishaji wa pombe zetu katika eneo la Afrika Mashariki.

Tumeweka mfumo madhubuti wa hali ya juu, kuanzia kwa mali ghafi hadi katika kiwanda cha upakiaji na kwenye soko.

Utaratibu huu unasaidiwa na mfumo bora tulioweka kama ilivyothibitishwa na cheti cha shirika la ukadiriaji ubora wa bidhaa nchini, ISO, EMS-Mfumo wa usimamizi wa mazingira, mifumo ya usalama kazini na afya OHSAS. Mifumo yetu yote hukaguliwa mara kwa mara kindani na kupitia wataalamu kutoka nje.Tuna mfumo madhubuti wa kupokea maelezo na maoni kutoka kwa wateja ambao ripoti yake huzingatiwa kila mara katika kuchambua kiini ili kuimarisha mifumo na taratibu zetu.

Chombo cha huduma mara mbili katika kiwanda cha EABL-Uganda.

Katika biashara yetu ya gilasi tunaendelea kuwekeza katika usimamizi bora na tulitunukiwa ISO 9001 2000, EMS 14001 2004 na cheti kingine cha HACCP pamoja na OHS 18001 1999. Vyeti hivi vinadhihirishia wateja wetu kwamba tunaendesha kiwanda cha kiwango cha kimataifa cha gilasi.

Nchini Uganda mifumo yetu ya usimamizi bora imesaidia kujenga msingi thabiti kwa biashara yetu ya kiwango cha kimataifa ambayo tunajitahidi kila mara kuiimarisha. Wakati wa mwaka huo mifumo yetu ilifanyiwa ukaguzi na wataalamu kutoka nje na kuifanya kupata tuzo zinazotambuliwa kimataifa ikiwa ni pamoja na ISO 9001:2004 na cheti cha HACCP, cheti cha uhifadhi mazingira ISO 14001:2004 na utambuzi wa UNBS.

Katika shughuli zetu zote tunaendesha biashara kwa njia inayowajibikia mazingira kulinda na kuimarisha hali ya watu wetu, bidhaa na jamii ambako tunafanya kazi na kuishi. Ili kuafikia lengo hili tumejitolea kusaidia udumishaji na uhifadhi mazingira kupitia uimarishaji wa mara kwa mara na uzuiaji, uchafuzi kama ilivyodhihirishwa na uwekezaji wetu wa juu katika kiwanda cha kisasa cha usafishaji maji taka.

Ufanisi katika kudhibiti gharama

Kiwango cha gharama ya uzalishaji bidhaa za kuuzwa kwa kila hektolita kilipungua kwa 21% licha ya shimkizo za kupanda kwa gharama ya maisha. Kujitolea kwetu kudhibiti gharama kumeendelea kuwa thabiti na tunatarajia kupunguza kwa kiwango cha 27% zaidi gharama ya bidhaa zinazouzwa kwa kila hektolita kufikia mwisho wa mwaka huu wa matumizi ya fedha.

Uuzaji,Uvumbuzi na Maendeleo

Ili kuafikia malengo yetu mwaka huu ajenda yetu ya uuzaji ilizingatia maeneo matatu kwa uimarishaji yanayohusisha kuzingatia upya wateja, mipango ya kuelekea sokoni na shughuli za kuimarisha aina maarufu za bidhaa.

Sisitizo Juu ya Wateja

Wakati wa kipindi cha mwaka huo, tulifanyia marekebisho muundo wetu wote wa uuzaji ili kusisitiza zaidi juu ya wateja wetu. Tuliongeza idadi ya wafanyikazi wa uuzaji nyanjani maradufu na kuimarisha huduma nyinginezo za kuendeleza shughuli za uuzaji. Manufaa ya kuimarika kwa huduma kwa wateja wetu na huduma nyingine yanadhihirishwa wazi na ukuaji katika mauzo.

Mipango ya Kuelekea Sokoni

Tuliendelea kutekeleza mradi wa rejareja unaozingatia kuboresha mfumo wa kuelekea sokoni, ugawaji na kuimarisha uwezo. Mpango huo unaofahamika kama 'Project Sambaza', unahusisha mfumo wa kifedha unaolenga wagawaji wetu kwa ushirikiano na benki moja ya humu nchini. Utekelezaji wa marekebisho ya SAP pia umesaidia pakubwa katika kuimarisha utoaji huduma. Tukiendelea mbele, hivi karibuni tutazindua shule ya Tusker Academy ili kuboresha zaidi uwezo wa uuzaji na usambazaji wetu.

Mkurugenzi Mkuu wa Kampuni Gerald Mahinda pamoja na wafanyikazi wa Diageo na jamii ya Kenya huko Diageo. Wafanyikazi wa makao makuu kwenye uzinduzi wa Tusker huko Uingereza.

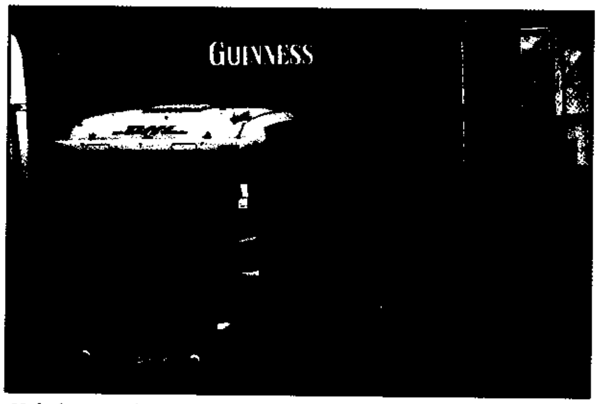
'Tunajitahidi kuendeleza sisitizo letu kwa wateja hadi ngazi nyingine kwa kutoa tajriba ya hali ya juu kwa burudani yenye uwajibikaji.'

Shughuli za kukuza aina za bidhaa

Tulijitahidi pia kuimarisha utekelezaji wa shughuli za uuzaji wa aina maarufu zaidi za pombe, Tusker, Guinness na Richot. Ufanisi wetu ulitokana na uwezo wa hali ya juu wa utekelezaji na utekelezaji shughuli kwa wakati ufaao. Mwaka huo ulijumuisha kuimarishwa kwa shughuli za uuzaji zilizodhamiriwa kujenga upya aina maarufu za bidhaa zetu ili kwenda sambamba na ushindani uliopo.

Haswa tuliwekeza katika mipango mipya kama vile mchezo wa televisheni wa Tusker Project Fame ambao ulikuwa wa

Siku za awali: Lori la EABL katika shughuli ya usambazaji bidhaa.

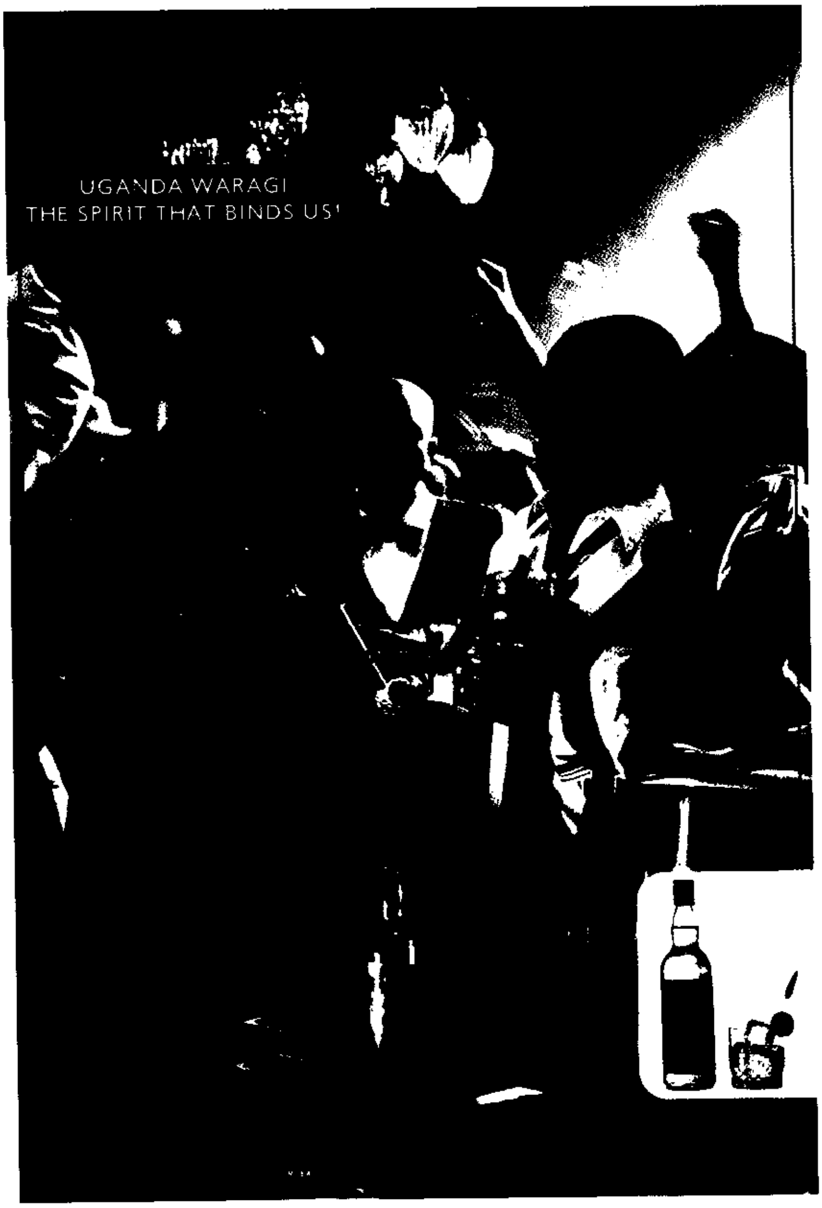


Malori ya usambazaji bidhaa sasa yameimarishwa kwa utekelezaji bora.

kwanza wa aina yake na ambao ulihisisha wanamuziki wa Afrika Mashariki. Mchezo huo ulifurahiwa sana kwenye soko. Pia tulizindua pombe aina ya Tusker Sports ambayo ilitusaidia katika uhamasishaji wakati wa makala ya 35 ya mbio za nyikani za IAAF zilizofanywa Mombasa ambapo tulishiriki katika udhamini wake. Shughuli nyingine za michezo ya Tusker ni pamoja na mashindano ya Golf na Rugby.

Guinness ilizindua kampeini yake ya 'Greatness' yaani umaarufu, ambayo iliboresha zaidi umuhimu wa pombe hii kwa wateja kama ilivyodhihirika kwa mauzo ya juu katika kipindi hicho cha mwaka. Pia tulitafuta njia mpya za kuendeleza ubora wa maarifa ya wateja wa pato la chini kwa kuhamasisha aina ya pombe ya Senator keg.

Hatimaye tuliboresha kitengo cha mvinyo kwa kuanzisha tena mvinyo wa VAT 69 Scotch whisky kwenye soko. Uzinduzi huo pamoja na matangazo ya kwanza ya kibiashara kuhusu mvinyo aina ya Richot na shughuli zilizohusisha Johnnie Walker, Smirnoff na Baileys, ulisaidia kuafikia malengo yetu kwa kitengo hiki.



Msisitizo Uganda

Nchini Uganda, tuliimarisha mauzo pamoja na uhusiano na wateja wetu. Kundi letu la uuzaji la Bell Lager lilizindua moja ya awamu mbili za kampeini ya ubora kuwasilisha thamani ya aina hii ya mvinyo kama vile ladha nzuri na umbo la kupendeza. Bell Lager pia inawafikia wateja kupitia udhamini wa muziki ikiwa ni pamoja na tuzo za Pearl of Africa Music Awards. Kundi la Senator Lager liliandaa tamasha mbalimbali za kitamaduni kwa lengo la kuwavutia wateja wake muhimu.

Mvinyo wa Uganda waragi sasa unauzwa kwa chupa za 100ml na 200ml na unaendelea kutia fora. Kampeini kwa jina 'The spirit that binds us' 'Mvinyo unaotuunganisha" ilianzishwa katika kipindi cha mwaka huo ili kuimarisha maoni ya wateja wa pombe ya Uganda Waragi. Pombe ya Guinness pia ilianzisha kampeini ya umaarufu, "Greatness" nchini Uganda. Pombe hiyo mwanzo ilihusisha wafanyikazi katika juhudi zake za uhamasishaji na kisha kuzindua kampeini zilizolenga wafanyibiashara na wateja. Kundi la Guinness pia lilidhamini mashindano ya mchezo wa Rugby kufuatia kuongezeka kwa umaarufu wa mchezo huo nchini Uganda.

EAST
AFRICAN
BREWERIES
LIMITED

Kuimarisha taratibu za kindani

SAP zaleta matokeo

Uwekezaji

East Africa Breweries imekamilisha kwa ufanisi mpango wa kuimarisha uwezo wa utendaji kazi na upangaji kwa kuimarisha tekinolojia yake kwa kutumia taratibu, mbinu na maarifa ya tekinolojia (SAP).

Tumewekeza takriban Ksh bilioni moja kutekeleza mpango madhubuti zaidi wa SAP katika Afrika Mashariki.

Tekinolojia hii inawezesha kampuni kutathmini habari zake zinazonakiliwa katika shughuli za kila siku pamoja na habari nyinginezo za hapa na pale kutoka pembe zote za kampuni kusaidia kuchukua hatua za haraka kuhusiana na mabadiliko ya soko. Tekinolojia pia ina uwezo wa kushirikisha shughuli zote za kampuni na kufanya uenezaji habari kuwa rahisi na wa haraka

Mapato

Utekelezaji wake umefanya kazi kuimarisha utendaji kazi na kupunguza gharama ya uendeshaji inayopatikana pale tekinolojia tofauti za tarakilishi zinapotumiwa katika idara mbalimbali za biashara, kuimarisha utendaji kazi kote katika kampuni.

Matawi yetu ya utengenezaji, uchungaji, kimea na utengenezaji gilasi yatatumia tekinolojia hii mwaka huu kuwianisha vipengee vyote vya uendeshaji kutoka kiwango cha utengenezaji hadi usafirishaji bidhaa.

Ufanisi wa tekinolojia ya SAP hauimarishi tu jinsi tunavyofanya kazi bali pia jinsi tunavyoweza kuwasilisha bidhaa zetu kwa haraka sokoni.Kupatikana kwa vyanzo bora vya takwimu kwa haraka kunatuwezesha kujua zaidi kuhusu utendaji kazi wa biashara yetu na muhimu pale ambapo tunahitaji kufanyia marekebisho au kuimarisha

Utekelezaji wa SAP umebadilisha jinsi watu wetu wanavyofanya kazi na kuifanya kampuni yetu kutekeleza kazi yake kwa njia bora.

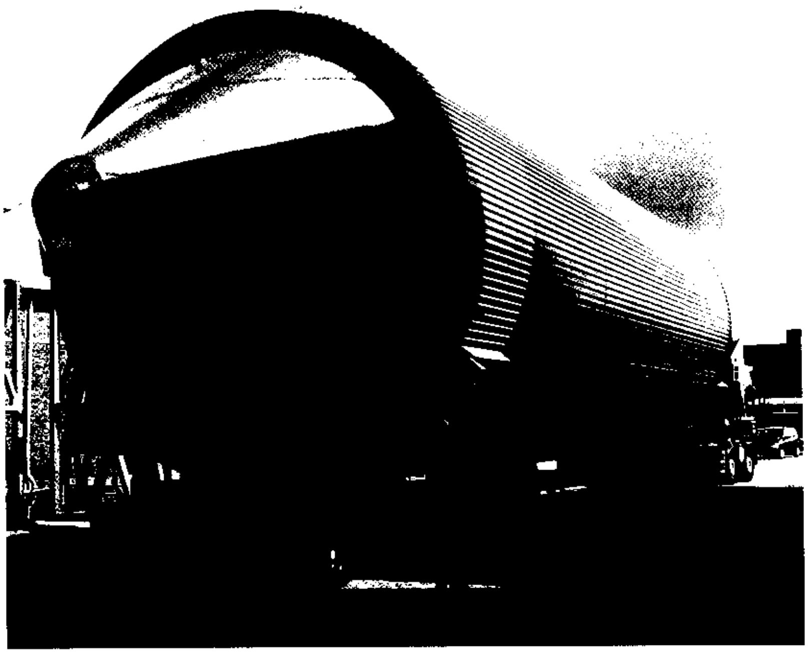
Kenya

Biashara ya pombe ilikua kwa aslimia 30% wakati wa mwaka huu, ambao ni ufanisi mkubwa. Ukuaji huo ulichochewa hasa na biashara ya pombe za Tusker, Guinness na Senator Keg.

Tuliimarisha shughuli ya upakiaji kwa kuongeza uwezo wake kwa kuweka laini mpya kutoka kiwanda chetu cha Kisumu kwa muda mfupi kwa gharama ya chini ya Kshs. 275 milioni. Uwekezaji huu ulituwezesha kuboresha sana uwezo wa pombe zetu za chupa kwa kiasi kikubwa wakati tulipokabiliwa na changamoto za ugawaji kwa mfano wakati wa msimu wa Disemba mwaka 2006. Kwa sababu hiyo shughuli nchini Kenya na Uganda ziliuza kiwango kikubwa zaidi kuwahi kuuzwa mnamo mwezi Disemba - rekodi ambayo EABL ilikuwa haijawahi kufikia.

Kuwekeza Kshs. 35 milioni kwa kuweka laini ya nne ya kutia pombe kwa chupa kulituwezesha kuongeza uwezo wa pombe ya Keg kwa aslimia 30%. Kadhalika tulizindua mipango ya kuongeza uwezo wa kutengeneza, kugandisha na kuchunga kuanzia mwezi Mei 2007. Pia tuliwekeza Kshs. 900 milioni katika chombo cha kuchunga machicha, kifaa kingine cha kuchunga machicha, vyombo viwili vya huduma mara mbili vya lita 400,000 kila kimoja na mifereji ya kisasa ya kuchunga pombe. Uwekezaji huu utaimarisha uzalishaji, kupunguza uharibifu, kupunguza gharama, na kuongeza ubora wa bidhaa zetu.

Biashara ya gilasi ilinawiri mara dufu kwa ukuaji wa aslimia 130 ikilinganishwa na



Chombo cha utekelezaji huduma mara mbili kinawasilishwa katika kiwanda cha EABL-Kenya.

mwaka uliotangulia, huku gilasi zote zikinunuliwa na wateja wetu. Kwa mara ya kwanza katika historia ya biashara yetu, tuliuza zaidi ya tani 35,000, ambazo zinawakilisha utumiaji kikamilifu wa tanuu zetu. Tunaendelea kuuza bidhaa zetu kwa soko zima la Afrika Mashariki na hivi majuzi tumeenea hadi Malawi, Angola na Namibia.

Uzalishaji wetu wa shayiri mnamo mwaka huo ulifikia tani 90,000, zikidhihirisha ukuaji wa aslimia 24% katika mahitaji. Kiwango cha tani 4,632 za mbegu za shayiri ziliwasilishwa na zinatayarishwa kwa upanzi katika msimu wa sasa na mpango wetu wa uimarishaji shayiri umetoa aina nyingine nne ambazo zilitolewa na Taasisi ya Afya ya Mimea nchini. Kadhalika tulifanya kandarasi na Lesiolo Grain Handlers, watayarishaji wa kisasa wa nafaka kushughulikia utayarishaji wa shayiri yote kavu kabla haijatengenezwa. Lesiolo Grain Handlers wanahakikisha kwamba shayiri yetu inatayarishwa kwa wakati ufaao na kwamba ni bidhaa ya hali ya juu pekee inayosafirishwa hadi Nairobi.

Uwekezaji wa mtaji wa Kshs.150 milioni umeimarisha uzalishaji na ubora wa kimea katika kiwanda chetu kilichoko Kampala Road, jijini Nairobi. Uwekezaji wetu ulijumuisha mtambo mpya wa barafu, ukarabati wa vyombo vya usafirishaji na kuwekwa kwa tangi lingine la maji moto. Kutokana na uwekezaji huo, kiwango cha utoaji kimea kiliongezeka kutoka wastani wa 79 mwaka uliopita hadi 83 mwaka huo. Kadhalika utoaji uliongezeka kwa aslimia 22% kutoka tani 23,000 hadi tani 29,000. Uwekezaji zaidi wa shilingi milioni 450 umepangiwa mwaka ujao kuongeza kiwango cha utoaji kimea katika kiwanda hicho hadi tani 34,00, ili kutosheleza mahitaji yanayoongezeka miongoni mwa idara za utengenezaji pombe za EABL na kuendelea kujitosheleza kwa mali ghafi.

Biashara ya UDVK imekuwa nzuri katika F07, ikikua katika faida na pia masoko. Tumepata manufaa ya kuunganisha utengenezaji mvinyo kali katika shughuli za EABL huko Ruaraka na kuwekeza katika mfumo mpya wa kisasa wa upakiaji katika kipindi kilichopita cha matumizi ya fedha. Faida ya UDV imekua kwa aslimia 98 katika kipindi cha mwaka uliopita.

Bidhaa zetu zinaendelea kufanya vyema katika soko la humu nchini na kupata ukuaji wa jumla wa 60%. Ukuaji huo ulitokana na uvumbuzi pamoja na uwekezaji katika bidhaa maarufu kama vile Richot, Smirnoff, Smirnoff Ice, Johnnie Walker, Baileys na VAT 69. Richot ilikuwa na uhamasishaji wa kitaifa wa wateja uliofahamika sana na kuifanya kujikita zaidi kwenye soko. Tulianzisha upya mvinyo wa VAT 69 katika soko na kuupa hadhi mpya, na kuwapa wateja wa pombe kali thamani nzuri kwa pesa zao. Mbinu yetu ya kupanua aina ya vinywaji vyetu kwa kuanzisha Smirnoff Black Ice imefanikiwa sana huku kiwango hicho kikidhihirisha ukuaji wa 21% katika F07.

Pombe kali za kipato cha chini kwenye soko zimekuwa na ukuaji wa kiwango cha juu na kushiriki kwetu katika kiwango hiki kupitia Kane Extra Golden kumekuwa hadithi ya ufanisi. Imetusaidia kupata wateja wengi zaidi kutumia pombe kali rasmi na pia kukabiliana na ushindani.

Tunatambua juhudi ambazo serikali imefanya katika kuifanya rasmi sekta hii kwa kuanzisha ushuru miongoni mwa nyingine. Bidhaa zetu zote sasa zina mhuri kama thibitisho kwamba zimelipiwa ushuru.

Kutokana na kukua kwa uchumi, UDVK sasa iko katika nafasi nzuri ya kutumia soko la humu nchini na pia masoko ya eneo hili.

Ujenzi wa kituo cha matibabu ya macho Arusha, Tanzania ambacho kimefadhiliwa na wakfu wa EABL.

Uganda

Uganda Breweries Limited ilikuwa na biashara nzuri kwa kipindi cha mwaka huo huku viwango vya pombe vikiongezeka kwa 22% na mvinyo kali kwa 26% na haswa kutokana na biashara ya Uganda Waragi na uzingatiaji wa soko la mvinyo kali.

Tulianza kukuza shayari nchini Uganda kwa kusajili wakulima 4,000 wa mashamba madogo madogo na shughuli zetu sasa zinajumuisha maeneo ya Kapachorwa na Bukwo mashariki mwa Uganda na eneo la Kabale kusini magharibi mwa nchi hiyo. Maeneo yote mawili yanafaa kwa ukuzaji shayiri.

Ukuzaji shayiri nchini Uganda hutekelezwa kupitia mashirika ya kijamii yanayohusisha wakulima 50 wa mashamba madogo madogo kila moja. Mashamba hayo ni ya kiasi cha kutoka nusu ekari hadi ekari tatu. Wakulima wamepewa mafunzo kuhusu uzalishaji shayiri na wafanyikazi wa East African Maltings - Uganda ili kutengeneza pombe ya Senator Lager, ambayo hutozwa ushuru wa chini.

Tanzania

Nchini Tanzania, umiliki wetu wa aslimia 20% ya hisa katika Tanzania Breweries umetufaidi na pombe yetu maarufu ya Tusker imekua na kudhibiti aslimia 20% ya soko. Tangu kuanzishwa kwa Malta Guinness kwenye mkebe ukuaji wa jumla umezidi matarajio. Wakfu wa EABL pia unaendelea kuwekeza kiasi kikubwa katika huduma za maji, elimu na afya nchini Tanzania.

Kuleta mabadiliko yenye manufaa

Kukuza unywaji wa Hekima

Kwa muda mrefu EABL imeamini kwamba unywaji pombe unaweza kuwa sehemu ya maisha na afya njema. Ijapokuwa tunakubali pia kwamba inapotumiwa kwa wingi, Pombe inaweza kusababisha matatizo makubwa ya afya na pia ki-jamii. Ukweli huu umetufanya kubuni kampeini mwafaka ya kuhimiza wateja wetu katika nchi tunakoendesha biashara yetu wanywe kwa uwajibikaji. Mwaka uliopita tulitumia shilingi milioni 125 kuhimiza wateja wetu wazingatie maadili mbali mbali ya hekima katika unywaji wao.Kuwasilisa ujumbe wetu tunatekeleza mipango kadha inayohusisha washikadau mbalimbali, ikiwa ni pamoja na:

Mafunzo kwa wahudumu wa Baa

EABL imeamua kuhusisha wahudumu wa Baa katika kuendeleza kampeini ya unywaji wa hekima. Mnamo miaka mitatu iliyopita tumewapa mafunzo wahudumu 3,500 wa baa na kuwafunza mbinu mwafaka za kuzuia watu walio na umri mdogo kunywa pombe na pia wateja waliolewa kupindukia. Mwaka ujao tuna mipango ya kuimarisha mpango huo ili kuhusisha wahudumu wengi zaidi wa Baa, bila shaka ikifahamika kwamba wao ndio wanawafahamu wanywaji wa pombe vyema zaidi.

'Unywaji wenye uwajibikaji ni muhimu kwa manufaa ya kila mmoja. EABL itakuwa mstari wa mbele kwa usambazaji habari za kuwezesha wateja kufanya maamuzi yafaayo.'

Mapambo ya biashara na kampeini za vyombo vya habari

Tulitayarisha mapambo na matangazo ya biashara na kueneza ujumbe kupitia kwa mabango, Magazeti, Majarida, Radioni na kwa njia ya Runinga chini ya kampeini zetu za "Kunywa kwa hekima, ishi kwa hekima'. Matangazo hayo yamelenga wateja wetu ambao binafsi wanahusika na tabia zao za unywaji. Pia tuliandaa warsha kwa wana-habari ili kuwapa ufahamu zaidi juu ya utumizi mbaya wa pombe na kusaidia kubadili jinsi maswala ya utumiaji mbaya wa pombe yanavyoangaziwa katika vyombo vya habari.

Kanuni za uuzaji

EABL imejitolea kuthibiti vilivyo shughuli zake katika sekta ya pombe, kwa kuweka viwango vya kimataifa na kuhakikisha kwamba bidhaa zetu zinatafutiwa masoko na kutangazwa kwa njia ifaayo. EABL imeanzisha na kutekeleza 'mfumo wa uuzaji wa Diageo' ambao huweka masharti ya uuzaji na kutangazwa kwa viburudisho vya pombe. Kwa mfano, mfumo huu unakataza matangazo au mapambo ya kibiashara yanayohusisha warembo wa chini ya umri wa miaka 25. Pia tunahakikisha kwamba Chupa za bidhaa zetu zina onyo la 'Sio ya kuuzwa kwa watu wa chini ya umri wa miaka 18'. Pia hatuuzi bidhaa zetu kupitia kwa vioski.

Sera ya pombe kwa wafanyikazi

Pia tumeratibu sera ya pombe kwa wafanyikazi wetu, inayohakikisha kwamba wafanyikazi wote wa EABL wanafahamu na kuelewa vyema mienendo ifaayo ya unywaji pombe. Sera hii inahusisha mafunzo kadha muhimu kama unywaji na uendeshaji gari, Pombe na mazingira ya kazi na shida za unywaji pombe. Wafanyikazi wote wa EABL wanahitajika kudhihirisha mfano mwema wa unywaji wa hekima.

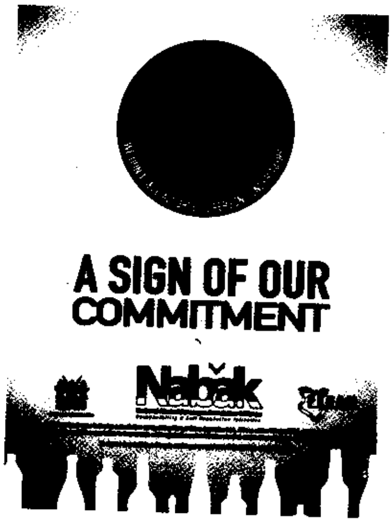
Makala ya Kila Wiki juu ya unywaji wa hekima

Tuliwezesha kuchapishwa kwa ukurasa wa maswali na majibu na kumhusisha Daktari maarufu wa humu nchini katika makala

Waanzilishi wa Nabak nchini Kenya washerehekea ufanisi wa uzinduzi wake.

Waziri wa Habari na Mawasiliano Mheshimiwa Mutahi Kagwe azindua kitabu kiitwacho 'Drinking in Context'yaani kunywa kwa njia ifaayo, kilichopata msaada kutoka kwa EABL kuambatana na mpango wa Kunywa kwa Uwajibikaji.

Kuleta mabadiliko yenye manufaa



ya kila Ijumaa ya gazeti la Daily Nation. Kupitia makala haya wateja wana fursa ya kuuliza maswali kuhusu pombe.

Kuzuia watu wa umri mdogo kunywa pombe

Tuliandaa kongamano mwaka huu lililojumuisha wadau mbali mbali katika kujadili athari za pombe kwa watu wa umri mdogo. Kutokana na hali hiyo, EABL ilishirikiana na chama cha kitaifa cha maswala ya mvinyo na pombe katika uzinduzi wa kampeini ya 'WE ID' na kusaidia kukomesha unywaji wa watu wa umri mdogo.

Pia tunaendelea kushirikiana na wizara ya afya nchini Kenya na Uganda ili kutunga sera za kitaifa kuhusu pombe, ambazo zitasaidia viongozi wa sekta hii na watunzi wa sera kushughulikia matatizo kama lile la unywaji pombe wa watoto wenye umri mdogo.

Wajibu Wa Kijamii Wa Wakfu wa EABL

Kwa kipindi cha mwaka uliopita, wakfu wa Kampuni ya EABL umekua na kuimarisha zaidi maisha ya zaidi ya watu 250,000 katika kanda hii ya Afrika mashariki. Hapa ni baadhi ya vidokezi vya majukumu ya wakfu huu:

Ufugaji Samaki huko Nakasongola

Mradi uliozinduliwa hivi majuzi wa kufuga samaki wa shamba la Ekitangala huko Nakasongola, nchini Uganda, umeanza kuzaa matunda huku samaki wengi wakizalishwa kwenye vidimbwi.

Wakfu huo ulitoa mchango wa Ushs.22.5 milioni kusaidia kuchimba kisima kwenye shamba hilo. Kisima hicho sasa kinatoa maji kwa mabwawa sita ya shamba hilo na pia kwa matumizi ya nyumbani miongoni mwa jamii zilizo karibu.

Samaki wa shamba hili watakomaa hivi karibuni. Limetoa ajira kwa wafanyikazi 50 na pia hutumika kama kituo cha mafunzo kwa jamii. Shamba la samaki la Ekitangala pia hutoa huduma za afya kwa eneo la Katooge, mojawapo ya maeneo masikini zaidi nchini Uganda.

Maji kwa Uzima

Zaidi ya asilimia 60 ya visima vya kijamiia katika wilaya ya Kajiado nchini Kenya havitumiki kwa sasa kutokana na usimamizi mbaya wa jamii husika. Wilaya hiyo iliathiriwa vibaya na baa la njaa miaka ya 2004 na 2006 na watu wanaoishi katika

Jamii huko Kabale, Uganda yafunzwa kujenga matangi ya kuteka maji ya mvua.

Mkulima anavuna samaki kwenye mradi wa Maji ni Uhai huko Ekitaangala nchini Uganda.

ardhi ya makundi ya ufugaji wamepoteza idadi kubwa ya mifugo -tegemeo lao la pekee ki-uchumi.

Mradi wa maji kwa uzima wa wakfu huu kwa kushirikiana na shirika la AMREF-Kenya na jamii, ulijitahjidi kukarabati visima vinne katika eneo hilo. Mchango wa Wakfu huu wa zaidi ya shilingi milioni 5.7 za Kenya utanufaisha zaidi ya watu 5,000 na mifugo wao.

Wafanyikazi wa EABL, Wakiongozwa na mdhamini mkuu wa Wakfu wa EABL, Bw. James Karegi, walisaidia kuweka jiwe la msingi kwa mradi wa tangi jipya la maji ambalo litakuwa kituo kikuu cha maji kutoka visima vyote vinne.

Nchini Uganda, tumechangia miradi ya maji katika sehemu za Kabale na Kapchorwa. Kadhalika kituo cha kuvuna maji ya mvua kimezinduliwa huko Kabale. Mnamo mwaka ujao, tuna mipango ya kuwafikia raia wengi zaidi wa Uganda katika miradi yetu ya maji.

Mchango kwa Hospitali ya kimataifa ya Kampala

Wakfu huu uliwekeza katika Hospitali ya kimataifa ya Kampala katika ununuzi wa vitanda na matibabu ya wagonjwa. Udhamini huu wa shilingi milioni

Kueta mabadiliko [illegible]

Kundi la E-Green na shirika la Huduma kwa Wanyama Pori wakati wa shughuli ya upanzi wa miti

27.2 za Uganda utasaidia wagonjwa wasiobahatika ambao wanahitaji matibabu maalum lakini hawamudu gharama yake.

HIV/Aids

Kuongeza ufahamu kupitia sera ya pombe kwa wafanyikazi wetu kulituwezesha kutunukiwa heshima ya kongamano la wafanyibiashara wa Uganda dhidi ya janga la HIV/Aids. Sera ya kupambana na ukimwi katika matawi yetu itatoa matibabu ya maisha kwa wafanyikazi na jamaa zao.

Kiliniki ya Upasuaji macho huko Moshi

Wakfu huo umechangia ujenzi wa Kliniki ya matibabu ya macho kwenye taasisi ya Kikristo ya Kilimanjaro huko Moshi, Nchini Tanzania.

Kituo hiki cha wakfu wa EABL kitakuwa cha kipekee kinachoshughulikia visa vya upasuaji na shida nyingine za macho. Kituo hiki kitawanufaisha watu 10,000 katika maeneo ya Moshi na Arusha. Watu walio na shida za upofu au kuto-ona vizuri watapata usaidizi wa kimatibabu na pia kufanyiwa upasuaji, hivyo kuwezesha wengi wao kurejea kazini na kuendelea kutumikia jamaa zao.

Ujenzi wa kituo hicho umenza na huenda ukakamilika mwishoni mwa mwaka huu wa 2007. Mara tu kikianza kufanya kazi, kuna uwezekano wa kituo hiki kutembelewa na zaidi ya watu 50 kwa siku.

E-Green

E-Green, ambao ni mradi wa mazingira unaoendeshwa na wafanyikazi wa kampuni ya EABL, ulipanda zaidi ya miti 2000 katika hifadhi ya msitu wa Ngong mjini Nairobi ambao uliharibiwa na jamii zinazoishi karibu.

Wakfu huo pia ulitoa mchango wa shilingi 200,000 kwa hazina ya hifadhi ya msitu wa Ngong, ambalo ni kundi linalotetea kupandwa upya kwa miti katika hifadhi hiyo ya msitu wa Ngong.

Msitu huo ambao uko umbali wa takriban kilomita sita kutoka jijini Nairobi umekumbwa na tatizo la wakataji miti,jamii iliyo karibu na wanyakuzi wa ardhi.

Mradi wa E-Green, pia umesaidia kupanda miti katika maeneo ya Mau Narok na Gatanga nchini Kenya, Msitu wa Kkoba, Namanve na katika kiwanda cha kampuni ya Uganda Breweries mjini Kampala. Mradi wa E-green una lengo la kuhimiza uhifadhi wa mazingira kwa kuwahamasisha na kuwatia moyo wafanyikazi na jamii kwa ujumla.

Misaada ya masomo mwaka wa 2007

Wahitimu 14 werevu wa shule za upili na ambao wanatoka jamaa masikini nchini Kenya, Uganda na Tanzania wametunikiwa misaada ya masomo ya wakfu wa EABL ili kuendelea na masomo ya shahada katika vyuo vikuu mbali mbali vya Afrika mashariki. Wanafunzi hao walichaguliwa kati ya 7,000 waliotuma maombi kutoka eneo zima la Afrika mashariki. Misaada hiyo ya masomo ni ya jumla ya shilingi milioni 19 za Kenya.

Kila msaada wa masomo unajumuisha ada ya karo na gharama ya malazi kwa muda wa masomo wa miaka minne. Wanafunzi hao kadhalika watapokea marupurupu ya kujikimu wakati wa kipindi cha masomo yao na pia nafasi za ushauri na mafunzo ya kikazi katika matawi ya kampuni hii ya EABL.Huu ni mwaka wa saba kwa misaada ya masomo ya EABL kutolewa, huku wanafunzi 70 wakiwa wamenufaika kwa gharama ya shilingi milioni 90 za Kenya.

Huduma kwa kina mama wajawazito

Kituo cha afya cha Kirwara katika mkoa wa kati nchini Kenya kilipokea mtambo wa kisasa wenye thamani ya zaidi ya shilingi milioni 1 kutoka kwa wakfu huu ili kusaidia katika kuwachunguza kima mama wajawazito. Kwa kutoa mtambo huo, Wakfu huo utasaidia kina mama wajawazito ambao awali walihitajika kusafiri zaidi ya kilomita 30 ili kufanyiwa uchunguzi.

EAST AFRICAN BREWERIES LIMITED

Tusker Lager yaelekea Ncha ya Kaskazini

Watalii waliozuru Kenya ambao walipendelea sana bia maarufu ya Kenya ya Tusker Larger walipendezwa sana na ladha yake hivi kwamba waliamua kwenda nayo kwenye safari maalumu katika Ncha ya Kaskazini mwa dunia.

Pete Goss mzungumzaji wa masuala ya uhamasishaji na baharia alifikiria lingekuwa wazo ambalo halijawahi kufanywa kwenda na Tusker na Bendera ya Tusker hadi Ncha hiyo ya dunia yenye sumaku. Hata hivyo alisema pombe hiyo ilipaswa kutumiwa muda mfupi kabla ya Kafika mahala hapo kwani ingesalia imeganda kwa miaka mingi lakini bendera ilifanikiwa kukamilisha safari hiyo na kufika Ncha ya Kaskazini zaidi mwa dunia.

"Nilisikia kwa mara ya Kwanza juu ya Tusker wakati wa ziara yangu nchini Kenya na nikaipenda mara tu nilipokunywa moja baridi baada ya siku yenye joto - ningali ninaona mtonesho wake na kuonja ladha yake sasa", Goss alisema.

Goss ambaye ni mmoja wa watu wachache waliosafiri ulimwegu mzima mara mbili kwa mashua alisema alivutiwa na Ncha hiyo baada ya kusoma kuihusu katika vitabu vilivyoandikwa na wapelelezi maarufu na kuamua kujionea mwenyewe. Hii ilikuwa ziara yake ya nne.

"Niliipenda mara ya Kwanza nilipoiona na sasa ninaendesha biashara ndogo ambapo sisi huwafunza wanagenzi kisha huwapeleka kusimama juu ya ulimwengu, jambo ambalo ni la kustaajabisha kweli," alisema.

Ni katika ziara yake ya nne ambapo alibeba chupa ya Tusker. "Nilibeba moja tu kwani hali ilikuwa ya baridi kali katika Ncha ya Kaskazini. Ilibidi kuitunza ili isigande kutokana na baridi."

Kwa maoni yake, Tusker Lager ni pombe ya kiwango cha kimataifa. "Nimeonja pombe nyingi kote ulimwenguni na Tusker ina mvuto unaostahili.Kitu kingine ambacho nakipenda, kama mpenda mahaba kiasi, ni umaarufu wa bidhaa yenyewe na historia. Unawezaji kukosa kuguswa na hadithi, nchi na urithi kama huo? Daima nitakuwa balozi."

Sio wengi wanaoweza kudai kuwa na tajriba ya safari kama hiyo na sasa tuna Tusker Lager ya hapa kwetu Kenya kuongezea kwa wachache hao.

EAST AFRICAN BREWERIES LIMITED

Corporate Information

FINANCIAL CALENDAR
For the year ended 30 June 2007

RESULTS
Half Year Results announced on 23 February 2007
Full Year Results announced on 31 August 2007

Annual Report
Issued on 5 October 2007
85th Annual General Meeting:
1 November 2007

DIVIDENDS
Interim
Announced on 23 February 2007
Paid on 12 April 2007

Final
To be declared on 1 November 2007
Payable on or about 5 November 2007

Register
Closing date: 12 October 2007

BOARD OF DIRECTORS & ADMINSTRATION
Group Chairman
J G Kiereini EGH, EBS, SS
Group Deputy Chairman
N Blazquez *
Group Managing Director
G K Mahinda
Group Commercial Director
C Caldwell*

Non-Executive Directors
R Kemoli
W S Kalema (Or) **
E Mwaniki
W Mugane (Ms)
B A Savage ***
A M Ndegwa

*British **Ugandan ***Nigerian

Group Company Secretary
A Murgor (Mrs)
(Appointed on 30 August 2007)

BOARD COMMITTEES
Board Audit & Risk Management Committee
R Kemoli, Chairman
N Blazquez (Dr)
B Savage
A M Ndegwa

Board Remuneration Committee
N Blazquez (Dr), Chairman
W Kalema (Dr)
E Mwaniki

Board Corporate Governance Committee
W Mugane (Ms), Chairperson
R Kemoli
E Mwaniki
W Kiboro

Board Nominations Committee
N Blazquez, Chairman
W Kalema (Dr)
R Kemoli
W Mugane (Ms)

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS
Corporate Centre, Ruaraka
Off Thika Road
P O Box 30161 - 00100
Nairobi
Telephone: 864000
Fax: 8563054/8561090
Email: info@eabl.com

REGISTRAR
Custody & Registrar Services Limited
6th Floor, Bruce House
Standard Street
P O Box 30120 - 00100
Nairobi

AUDITORS
KPMG Kenya
Lonrho House, 16th Floor
Standard Street
P O Box 40612 - 00100
Nairobi

BANKERS
Standard Chartered Bank Kenya Limited
Kenyatta Avenue Branch
P O Box 30001 - 00100
Nairobi

Commercial Bank of Africa Limited
CBA Building
Wabera/Standard Street
P O Box 30437 - 00100
Nairobi

Barclays Bank of Kenya Limited
Barclays Plaza
Loita Street
P O Box 30120 - 00100
Nairobi

Citibank NA
Citibank House, Upper Hill Road
P O Box 30711 - 00100
Nairobi

ADVOCATES
Kaplan & Stratton
Williamson House, 4th Ngong Avenue
P O Box 40111 - 00100
Nairobi

EAST AFRICAN BREWERIES LIMITED

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the EIGHTY FIFTH ANNUAL GENERAL MEETING of East African Breweries Limited will be held at Safari Park Hotel, Ruaraka, Nairobi on 1 November 2007 at 11 a.m. for the following purposes:

1. FINANCIAL STATEMENTS

a) to receive and adopt the audited financial statements for the year ended 30 June 2007 together with the report of the Directors and the Auditors' report thereon **(Resolution 1);**

b) to confirm the interim dividend of KShs 2.15 and declare a final dividend of KShs 5.55 per ordinary share payable on or about 5 November 2007 to members on the Register at the close of business on 12 October 2007 **(Resolution 2);**

c) to consider and if approved, adopt the following resolutions which will be proposed as ordinary resolutions:

i) "**THAT** pursuant to Article 15B of the Company's Articles of Association, it is desirable to capitalize the sum of KShs 263,591,452 being part of the sum standing to the credit of the share premium reserve and that accordingly such sum be set free for distribution amongst the holders of ordinary shares in the capital of the Company on the register of the members on 12 October 2007, on condition that the same not be paid in cash but be applied in paying up in full at par 131,795,726 ordinary shares of KShs. 2 each in the capital of the Company, and that such 131,795,726 shares credited as fully paid up be accordingly allotted to such persons respectively in the proportion of one (1) of such shares for every five (5) of the ordinary shares then held by such persons respectively (fractions of a share to be disregarded) and that the shares so distributed shall rank pari passu with the existing issued ordinary shares and shall be treated for all purposes as an increase of the nominal amount of the capital of the Company held by each such shareholder and not as income and the Directors be and are hereby authorized and directed to attend to all matters required to give effect to this resolution.". The bonus issue is subject to the approval of the Capital Markets Authority being obtained and to the Nairobi Stock Exchange approving the listing of the new ordinary shares of the company. **(Resolution 3);**

ii) "**THAT** in pursuance of Article 160 of the company's Articles of Association should any of the said bonus shares be not issued by reason of fractions of a share being disregarded, the Directors may allot and issue the same to such persons and upon such terms and conditions as they may deem fit." **(Resolution 4);**

2. DIRECTORS

a) Elections

i) to re-elect Mr. Babatunde Savage who retires by rotation under Article 109 and being eligible, offers himself for re-election as a director of the company **(Resolution 5);**

ii) to re-elect Mr. Andrew Ndegwa who retires by rotation under Article 109 and, being eligible, offers himself for re-election as a director of the company **(Resolution 6);**

iii) to re-elect Mr. Wilfred Kiboro who retires by rotation under Article 109 and, being eligible, offers himself for re-election as a director of the company **(Resolution 7).**

b) Remuneration

To note that the Directors are not seeking any increase in their remuneration, which, accordingly, remains as, stated in the financial statements.

3. AUDITORS

To appoint KPMG Kenya, the company's Auditors for the period ending with the next annual general meeting of the company and to authorise the directors to determine their remuneration **(Resolution 8);**

4. To transact any other business that may legally be transacted at the meeting.

By Order of the Board,

A Murgor (Mrs)
Secretary
31 August 2007

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member.

A tear-out form of Proxy is given on page 75 for use by members who do not propose to be present at the meeting. A Form of Proxy must be returned to the Company Secretary by no later than 11.00 am on Tuesday 30 October 2007, being not less than 48 hours before the time appointed for the meeting.

Pursuant to Article 107 of the company's Articles of Association, any member may by notice duly signed by him and delivered to the Secretary of the company not less than seven days and not more than twenty-eight days before the day appointed for this meeting propose any other person for election to the Board. Such notice must be accompanied by a notice signed by the person proposed, indicating his willingness to be elected.

EAST AFRICAN BREWERIES LIMITED

ILANI INATOLEWA HAPA KWAMBA MKUTANO MKUU WA MWAKA WA THEMANINI NA TANO WA KAMPUNI YA East African Breweries Limited utafanyika katika Safari Park Hotel, Ruaraka, Nairobi, tarehe mosi Novemba, 2007 saa tano asubuhi kwa shughuli zifuatazo:

1. TAARIFA ZA KIFEDHA

a) kupokea na kuidhinisha taarifa za ukaguzi wa fedha kwa kipindi cha hadi terehe 30 Juni mwaka 2007 pamoja na ripoti za wakurugenzi na wakaguzi wa fedha juu ya ukaguzi huo **(Azimio 1)**;

b) kuidhinisha mgao wa muda wa faida wa Kshs 2.15 na kutangaza malipo ya mwisho ya mgao wa faida ya KShs5.55 Kwa kila hisa ya kawaida ambayo yatatolewa tarehe 5 Novemba, 2007 kwa wanachama walisajiliwa kufikia wakati wa kufunga biashara tarehe 12 Octoba, 2007 **(Azimio 2)**;

c) Kutafakari na ikikubaliwa kuidhinisha maazimio yafuatayo ambayo yatapendekezwa kama maazimio ya kawaida:

(i) "**Kwamba** kuambatana na kifungu 158 cha sheria za Makampuni, inafaa kuweka mtaji wa kiasi cha Kshs 263,591,452 kikiwa sehemu ya kiasi kilichopo cha hifadhi ya hisa na kwamba kulingana na hayo, kiasi hicho kitengwe kugawanywa miongoni mwa wanaomiliki hisa za kawaida kwenye mtaji wa kampuni kwenye orodha ya wanachama mnamo tarehe 12 octoba 2007, kwa masharti kwamba kisilipwe kwa pesa taslimu lakini kitumiwe kulipa kikamilifu hisa za kawaida 131,795,726 za Kshs.2 kila moja kwenye mtaji wa kampuni na kwamba hisa hizo 131,795,726 zilizolipiwa kikamilifu zigawiwe watu inavyohitajika kwa kiwango cha hisa moja(1) kwa kila hisa tano(5) za kawaida zinazomilikiwa (kiasi cha chini cha hisa zisiziweza kugawanyika kutozingatiwa) na kwamba hisa hizo zitakazogawanywa zitakuwa sambamba na nyingine za kawaida na zitachukuliwa kuwa ongezeko la kiasi cha mtaji cha kampuni kinachoshikiliwa na mwenye hisa na wala sio mapato na wakurugenzi wanaidhinishwa na kuagizwa kushughulikia masuala yote yanayohitajika ili kuwezesha kutekelezwa kwa azimio hilo." Kutolewa kwa hisa za ziada kutategemea idhini ya Halmashauri ya Masoko ya Hisa na Soko la Hisa la Nairobi kuidhinisha kuorodheshwa kwa hisa hizo mpya za kawaida za kampuni. **(Azimio 3)**;

(ii) "**Kwamba** kulingana na kifungu cha 160. cha sheria za Makampuni, iwapo hisa zozote za ziada hazitatolewa kwa sababu ya kukosa kugawanyika, wakurugenzi wanaweza kutoa hisa hizo kwa watu na kulingana na kanuni na masharti watakayoona yanafaa."**(Azimio 4)**;

2. WAKURUGENZI

a) Uchaguzi

i) Kumchagua tena Bw. Babatunde Savage ambaye anastaafu kwa zamu kulingana na kifungu cha 109 na kwa kuwa anahitimu amejiwasilisha kuchaguliwa tena kama mkurugenzi wa kampuni **(Azimio 5)**;

ii) Kumchagua tena Bwana Andrew Ndegwa ambaye anastaafu kwa zamu kulingana na kifungu cha 109 na kwa kuwa anahitimu amejiwasilisha kuchaguliwa tena kama mkurugenzi wa kampuni **(Azimio 6)**;

iii) Kumchagua tena Bwana Wilfred Kiboro ambaye anastaafu kwa zamu kulingana na kifungu cha 109 na kwa kuwa anahitimu amejiwasilisha kuchaguliwa tena kama mkurugenzi wa kampuni **(Azimio 7)**;

b) Malipo

Kubainisha kwamba wakurugenzi hawajaitisha nyongeza yoyote ya malipo yao, hii , ikimaanisha kwamba malipo yao yamebakia vile vile kama yalivyoelezewa kwenye taarifa za kifedha.

3. WAKAGUZI WA HESABU ZA FEDHA

Kuteua KPMG Kenya, wakaguzi wa fedha wa kampuni ya East African Breweries Limited kwa kipindi kitakachomalizika na mkutano mkuu wa mwaka ujao wa kampuni hii na kuwapa wakurugenzi uwezo wa kuamua malipo yao **(Azimio 8)**;

4. Kutekeleza shughuli nyingine zozote ambazo kisheria zinaweza kutekelezwa wakati wa mkutano.

Kwa amri ya halmashauri,

A Murgor (Bi.)
Katibu
31 Agosti 2007

Mwanachama aliye na idhini ya kuhudhuria na kupiga kura katika mkutano ana haki ya kuteua mwakilishi mmoja au wawili ambao watahudhuria na kupiga kura kwa niaba yake. Mwakilishi sio lazima awe mwanachama.

Nakala ya fomu ya uwakilishi inapatikana katika ukurasa wa 75 ili kutumiwa na wanachama ambao wametaa pendekezo la kutohudhuria mkutano. Fomu ya uwakilishi sharti irejeshwe kwa Katibu wa Kampuni kabla ya saa tano asubuhi siku ya Jumanne tarehe 30 Oktoba 2007, ukiwa muda usiopungua saa 48 kabla ya wakati uliotengwa kwa mkutano.

Kuambatana na kifungu cha 107 cha sheria za kampuni, mwanachama yeyote anawezo, kupitio ilani iliyotiwa saini na kuwasilishwa kwa wakili wa kampuni katika mudo usiopungua siku 7, walo zaidi ya siku 28 kabla ya muda uliotengwa kwa mkutano huu, akapendekeza mtu mwingine yeyote kuchaguliwa katika Bodi ya wakurugenzi. Ilani kama hiyo sharti iambatane na Ilani nyingine iliyotiwa saini na mtu aliyependekezwa, kuonyesha yuko tayari kuchaguliwa.

Mr. Kierieni was appointed Chairman of the Board in 1988. He worked with the Kenya Civil Service for 30 years where he held various senior positions culminating in his appointment as Chief Secretary, Head of Civil Service and Secretary to the Cabinet. After retirement, he ventured into commercial life and is now a member of many boards, the main ones being Unga Group Limited, CMC Holdings group of companies, CFC Bank Limited and Heritage/ All Insurance Company.

Jeremiah G. Kiereini

Dr. Nick Blazquez

Christopher P. Caldwell

Richard Kemoli

Dr. William S. Kalema

Evanson Mwaniki

Dr. Nick Blazquez (British) -Group Deputy Chairman (46)

Christopher P. Caldwell (British) - Group Commercial Director (41)

Dr. William S. Kalema(Ugandan) - Non Executive Director (55)

Evanson Mwaniki - Non Executive Director (69)

Richard Kemoli HSC, MBE - Non Executive Director (72)

Gerald K. Mahinda

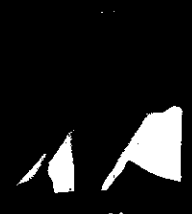
Mr Mahinda was appointed Group Managing Director in January 2004. He served a one-year assignment at Guinness Nigeria Plc as the Strategy and Change Director in 2003. Between 1999 and 2002 he served as the EABL Group Finance and Strategy Director. Before joining EABL he worked for Standard Chartered Bank Kenya Limited as the Executive Director Finance with responsibilities for Kenya, Uganda and Tanzania. He holds a Bachelor of Commerce Degree from the University of Nairobi and is a Certified Public Accountant.

Babatunde A Savage

Wanjiku Mugane

Andrew S. Ndegwa

Wilfred Kiboro



Agnes Murgor

Babatunde A Savage- (Nigerian) - Non Executive Director (53)

Wilfred Kiboro – Non Executive Director (63)

Wanjiku Mugane MBS - Non Executive Director (43)

Agnes Murgor - Legal Counsel Group Company Secretary (44)

Andrew S. Ndegwa- Non Executive Director (39)

Corporate Governance Statement

At East African Breweries Limited, we recognize that ethical business practices and the integrity of our internal systems are key to the enhancement of our financial performance and sustainability, and we therefore remain committed to achieving the highest standards of corporate governance and business ethics for the benefit of all our stakeholders.

Board of Directors

The Board of Directors consists of the Chairman, who has non-executive responsibilities, eight non-executive directors and two executive directors. The Board meets at least four times a year and continues to maintain effective control over strategic, financial operational and policy issues.

The following standing committees of the Board meet quarterly or as required.

Board Corporate Governance Committee

The Committee reviews the Group's compliance with corporate governance issues. Its members are Ms. Wanjiku Mugane (Chairperson), Mr. Richard Kemoli, Mr. Evanson Mwaniki and Mr. Wilfred Kiboro. During the year the committee oversaw the Board's first ever self-evaluation exercise and organized a Strategy Immersion session with the company's Management aimed at ensuring Board ownership of the Company's strategy.

Board Audit and Risk Management Committee

The Committee is charged with overseeing financial reporting and is responsible for oversight of the Company's internal controls and risk management. Its members are Mr. Richard Kemoli (Chairman), Dr. Nick Blazquez, Mr. Andrew Ndegwa and Mr. Babatunde Savage. During the year, the Committee oversaw internal risk assessment, safety management, business continuity planning and technical compliance programmes.

Board Remuneration Committee

The Committee's main responsibility is the review and approval of remuneration for Directors and senior management and staff incentive schemes. Its members are Dr. Nick Blazquez (Chairman), Mr. Evanson Mwaniki and Dr. William Kalema. The Committee oversaw the review of the staff remuneration structure across the EABL group and implementation of staff reward schemes.

Board Nominations Committee

The Committee is mandated to review succession planning within the Board and to identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise. Its membership comprises Dr. Nick Blazquez (Chairman), Dr. William Kalema, Mr. Richard Kemoli and Ms. Wanjiku Mugane.

Business Ethics

The staff of EABL continue to commit themselves annually to adherence to the Company's Code of Business Conduct, which sets out high standards of ethical values, as well as other policies and procedures in place across the Group.

Directors' Shareholding as at 30th June 2007

	Name	Shares
1	Jeremiah Kiereini	1,209,600
2	Nick Blazquez (Dr.)	5,000
3	Gerald Mahinda	37,880*
4	Evanson Mwaniki	1,500
5	Babatunde Savage	12,000
6	William Kalema (Dr.)	18,515
7	Richard Kemoli	35,400
8	Wilfred Kiboro	3,100
	Totals	**1,352,104**

*excludes entitlement of 338,120 units under the EABL Employee share option program.

Taarifa Kuhusu Usimamizi wa Kampuni

Katika kampuni ya East African Breweries tunatambua kwamba maadili bora ya taratibu za kibiashara na hadhi ya mifumo yetu ya kindani ni muhimu kwa uendelezaji wa utendaji wetu wa kifedha na udumishaji shughuli na hivyo basi tunaendelea kujitolea kuafikia viwango vya juu vya usimamizi wa kampuni na maadili ya kibiashara kwa manufaa ya washikadau wote.

Halmashauri ya Wakurugenzi

Halmashauri ya wakurugenzi inajumuisha mwenyekiti ambaye hana mamlaka ya utendaji kazi, wakurugenzi wanane wasio na mamlaka ya utendaji kazi na wawili wenye mamlaka ya utendaji kazi. Halmashauri hiyo hukutana takriban mara nne kwa mwaka na inaendelea kudumisha usimamizi mwafaka wa masuala ya kifedha na sera.

Kamati zifuatazo za halmashauri hukutana kila baada ya miezi mitatu au wakati wowote inapohitajika.

Kamati ya Halmashauri kuhusu usimamizi wa Kampuni

Kamati hii huchunguza uzingatiaji wa kampuni kuhusiana na masuala ya usimamizi. Wanachama wake ni Bi. Wanjiku Mugane (Mwenyekiti), Bw. Richard Kemoli, Bw. Evanson Mwaniki na Bw. Wilfred Kiboro. Wakati wa kipindi cha mwaka huu kamati iliongoza zoezi la kwanza la halmashauri la kujitathmini na ikafanya mkutano wa kuchunguza mipango yake kwa ushirikiano na wasimamizi wa kampuni kwa lengo la kuhakikisha umiliki wa halmashauri wa mkakati wa kampuni.

Kamati ya Halmashauri kuhusu Uhasibu na Ukabilianaji na mashaka

Kamati hii inakabidhiwa wajibu wa kusimamia masuala ya taarifa za kifedha na ina jukumu la kusimamia mikakati ya kindani na kukabiliana na mashaka. Wanachama wake ni Bw. Richard Kemoli (Mwenyekiti), Dkt. Nick Blazquez, Bw. Andrew Ndegwa na Bw.Babatunde Savage. Mnamo mwaka uliopita, kamati hii ilitekeleza ukadiriaji wa mashaka, usimamizi wa usalama, mipango ya uendelezaji wa biashara na mipango ya kuafikia viwango bora vya kiufundi.

Kamati ya Halmashauri kuhusu malipo

Jukumu kuu la kamati hii ni kuchunguza na kuidhinisha malipo kwa wakurugenzi na maafisa wakuu wa usimamizi pamoja na mipango ya utoaji motisha na vihimizo kwa wafanyikazi. Wanachama wake ni Dkt. Nick Blazquez (Mwenyekiti), Bw. Evanson Mwaniki na Dkt. William Kalema. Kamati hii ilishughulikia uchunguzi wa muundo wa malipo ya wafanyikazi kote katika kampuni ya EABL na mfumo wa kuwatuza wafanyikazi.

Kamati ya Halmashauri kuhusu uteuzi

Kamati hii imepewa mamlaka ya kuchunguza mipango ya kukabidhi nyadhifa katika halmashauri na kutambua na kuteua watu watakaoidhinishwa na halmashauri ili kujaza nafasi kwenye halmashauri iwapo kutakuwa na pengo.Wanachama wake ni pamoja na Dkt. Nick Blazquez (Mwenyekiti), Dkt. William Kalema, Bw. Richard Kemoli na Bi. Wanjiku Mugane.

Maadili ya Kibiashara

Wafanyakazi wa kampuni ya EABL wanaendelea kujitolea kila mwaka kudumisha maadili na kanuni za kibiashara za kampuni ambazo zimeweka viwango vya juu vya maadili bora na sera nyingine na taratibu kote katika kampuni.

Ushikajihisa wa Wakurugenzi hadi tarehe 30 Juni 2007

	Jina	**Hisa**
1	Jeremiah Kiereini	1,209,600
2	Nick Blazquez (Dr.)	5,000
3	Gerald Mahinda	37,880*
4	Evanson Mwaniki	1,500
5	Babatunde Savage	12,000
6	William Kalema (Dr.)	18,515
7	Richard Kemoli	35,400
8	Wilfred Kiboro	3,100
	Jumla	**1,352,104**

*Haijumuishi haki ya kupewa vizio 338,120 chini ya mpango wa EABL wa hiari ya wafanyakazi.

EAST AFRICAN BREWERIES LIMITED

Report of the Directors

The directors have pleasure in presenting their report together with the audited financial statements for the year ended 30 June 2007, which disclose the state of affairs of the group and company.

1. **Activities**

   East African Breweries Limited remains a holding company with subsidiaries involved in the marketing, brewing/manufacturing and selling of drinks, glass containers, malt and barley.

2. **Results**

   The results for the year are set out on page 48.

3. **Bonus share issue**

   The directors recommend to the shareholders at the forthcoming Annual General Meeting the issue of bonus shares at the rate of 1 ordinary share for every 5 such shares held and the new bonus shares to qualify for the final dividend for the year ended 30 June 2007.

4. **Dividends**

   The directors recommend a final dividend of KShs 5.55 per ordinary share to be paid on or about 5 November 2007 to those members on the register at the close of business on 12 October 2007. This, together with the interim dividend of KShs 2.15 per ordinary share paid on 12 April 2007, brings the dividend for the year to KShs 7.70 per issued ordinary share (2006 – Dividend per share KShs 5.90). With the bonus issue taken into account, the total effective dividend per ordinary share existing at the year end will amount to KShs 8.81.

5. **Directors**

   The directors who served since 1 July 2006 are set out on page 40 and 41.

6. **Auditors**

   The auditors, KPMG Kenya, have indicated their willingness to continue in office in accordance with Section 159(2) of the Kenyan Companies Act (Cap. 486).

7. **Employees**

   The directors are pleased, once again, to record their appreciation for the untiring efforts of all employees of the company and its subsidiaries.

8. **Approval of financial statements**

   The financial statements were approved at a meeting of the directors held on 30 August 2007.

BY ORDER OF THE BOARD

Date: 30 August 2007

Ripoti ya Wakurugenzi kwa

Wakurugenzi wanafuraha kuwasilisha ripoti yao pamoja na taarifa za kifedha zilizokaguliwa kwa mwaka uliomalizikia tarahe 30 Juni 2007 ambazo zinabainisha hali ya kifedha ya Kundi na Kampuni.

1. **Shughuli**

   East African Breweries Limited inabakia kampuni yenye matawi inayohusika katika uuzaji, utengenezaji na kuuzwa kwa vinywaji na vyombo vya gilasi, kimea na shayiri.

2. **Matokeo**

   Matokeo ya mwaka yamewekwa katika ukurasa wa 48.

3. **Kutolewa kwa hisa za ziada**

   Wakurugenzi wanapendekeza kwa wenye hisa katika Mkutano mkuu ujao wa kila mwaka kutolewa kwa hisa za ziada kwa kiwango cha hisa 1 ya kawaida kwa kila 5 za aina hiyo zinazomilikiwa na hisa hizo za ziada kuhitimu kwa mgao wa mwisho wa faida kwa mwaka uliomalizikia tarehe 30 Juni 2007.

4. **Mgao wa faida**

   Wakurugenzi wanapendekeza mgao wa faida wa mwisho wa Kshs 5.55 kwa kila hisa ya kawaida utakaolipwa mnamo au kufikia tarehe 5 Novemba 2007 kwa wanachama ambao watakuwa kwenye orodha ya usajili kufikia kufungwa kwa biashara tarehe 12 Oktoba 2007. Mgao huu, pamoja na mgao wa faida wa muda wa Kshs.2.15 kwa kila hisa ya kawaida uliolipwa tarehe 12 Aprili 2007, unafanya mgao wa faida kwa mwaka huu kuwa Kshs. 7.70 kwa kila hisa ya kawaida (2006 - mgao wa faida kwa kila hisa Kshs. 5.90). Huku hisa za ziada zikitiliwa maanani, jumla ya mgao wa faida kwa kila hisa itakayokuwepo kufikia mwisho wa mwaka utakuwa Kshs. 8.81.

5. **Wakurugenzi**

   Wakurugenzi ambao walihidumu tangu tarehe 1 Julai 2006 wameorodheshwa kwenye ukurasa 40 na 41.

6. **Wakaguzi wa hesabu za fedha**

   Wakaguzi wa hesabu za fedha, KPMG Kenya wamedhihirisha nia yao ya kutaka kuendelea kuhudumu kulingana na kifungu 159(2) cha sheria za makampuni nchini (Cap.486).

7. **Wafanyikazi**

   Wakurugenzi wana furaha kupongeza kwa mara nyingine juhudi zisizo na kifani za wafanyikazi wote wa kampuni na matawi yake.

8. **Kuidhinishwa kwa taarifa za kifedha**

   Taarifa za kifedha ziliidhinishwa kwenye mkutano wa wakurugenzi uliofanyika tarehe 30 Agosti 2007.

KWA AMRI YA HALMASHAURI

Tarehe: 30 Agosti 2007

The Kenyan Companies Act requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and company as at the end of the financial year and of the operating results of the group and company for that year. It also requires the Directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy the financial position of the group. They are also responsible for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors are also responsible for safeguarding the assets of the group and company.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Kenyan Companies Act. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the group and company and of the group operating results.

The Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

Director: C. P. Caldwell

Director: G. K. Mahinda

Date: 30 August 2007

Sheria ya Makampuni ya Kenya inahitaji wakurugenzi kutayarisha taarifa za kifedha kila mwaka ambazo zinaonyesha wazi hali halisi ya Kundi na Kampuni kufikia mwisho wa mwaka wa matumizi ya fedha na matokeo ya shughuli za uendeshaji wa Kundi na Kampuni kwa mwaka huo. Pia inahitaji wakurugenzi kuhakikisha kampuni inaweka ifaavyo vitabu vya hesabu za pesa ambavyo vinaonyesha kwa usahihi hali ya kifedha ya Kundi. Kadhalika wana wajibu wa kubuni, kutekeleza na kudumisha udhibiti wa kindani ambao unafaa kwa utayarishaji na uwasilishaji wa haki wa taarifa za kifedha zisizokuwa na taarifa za kupotosha kutokana na ulaghai au kasoro; kuchagua na kutumia sera zifaazo za hesabu za fedha na kufanya makadirio ya hesabu za fedha yafaayo kwa wakati huo. Wakurugenzi pia wana jukumu la kulinda mali ya Kundi na Kampuni.

Wakurugenzi wanakubali kuwajibikia taarifa za kifedha ambazo zimetayarishwa kwa kutumia sera zifaazo za hesabu za pesa pamoja na maamuzi na makadirio adilifu, kuambatana na Viwango vya Kimataifa vya Utoaji Taarifa za Kifedha na kwa namna inayohitajika kulingana na kifungu cha sheria za Makampuni. Wakurugenzi wanaonelea kwamba taarifa hizo za kifedha zinadhihirisha hali halisi na ya haki ya masuala ya kifedha ya kundi na Kampuni na ya matokeo ya uendeshaji ya Kundi.

Wakurugenzi kadhalika wanakubali wajibu kwa udumishaji vitabu vya hesabu za fedha ambavyo vinaweza kutumiwa bila tashwishi kwa utayarishaji taarifa za kifedha pamoja na mifumo inayohitajika ya udhibiti wa kifedha.

Hakuna chochote kilichowafikia wakurugenzi kuonyesha kwamba kampuni haitaendelea kuhudumu ipasavyo kwa takriban miezi kumi na miwili ijayo kutoka tarehe ya taarifa hii.

Mkurugenzi: C. P. Caldwell

Mkurugenzi: G. K. Mahinda

Tarehe: 30 Agosti 2007

EAST AFRICAN BREWERIES LIMITED

Report of the Independent Auditors

We have audited the group financial statements of East African Breweries Limited set out on pages 48 to 72 which comprise the balance sheets of the group and the company at 30 June 2007, and the group's income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

As stated on page 45, the directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the group and the company at 30 June 2007, and the group's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Kenyan Companies Act.

Report on other legal requirements

As required by the Kenyan Companies Act we report to you, based on our audit, that:

(i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

(ii) In our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books; and

(iii) The balance sheet of the company is in agreement with the books of account.

KPMG Kenya
Certified Public Accountants
P. O. Box 40612 - 00100
Nairobi

Date: 30 August 2007

EAST
AFRICAN
BREWERIES
LIMITED

Tumeangalia taarifa za kifedha za Kundi la East African Breweries Limited zilizoonyeshwa kwenye kurasa za 48 hadi 72 ambazo zinajumuisha mizania (Balance sheet) ya Kundi na Kampuni kufikia tarehe 30 Juni 2007, taarifa ya mapato ya Kundi, taarifa kuhusu mabadiliko ya ulinganifu na mapato halisi ya Kampuni kwa kipindi cha mwaka uliomálizika, na muhtasari wa sera muhimu za uhasibu miongoni mwa vidokezo vingine.

Wajibu wa Wakurugenzi kuhusiana na taarifa za kifedha

Kama ilivyoelezewa kwenye ukurasa wa 45, wakurugenzi wana jukumu la kutayarisha na kutoa taarifa sawa za kifedha kuambatana na Viwango vya Kimataifa vya Utoaji Taarifa za Kifedha. Wajibu huu unajumuisha, kubuni, kutekeleza na kudumisha udhibiti wa kindani unaohitajika kwa utayarishaji na uwasilishaji wa haki wa taarifa za kifedha zisizokuwa na taarifa za kupotosha, kutokana na udanganyifu au makosa; kuchagua na kutumia sera mwafaka za uhasibu; na kufanya makadirio ya uhasibu yanayofaa wakati huo.

Wajibu wa wakaguzi wa hesabu za fedha

Wajibu wetu ni kutoa maoni kuhusu taarifa hizi za kifedha kutokana na ukaguzi wetu.Tulifanya ukaguzi kuambatana na Viwango vya Kimataifa vya Ukaguzi. Viwango hivyo vinatuhitaji kutimiza maadili yanayohitajika na kupanga na kutekeleza ukaguzi wa fedha ili kupata thibitisho linalofaa kwamba taarifa za kifedha hazina udanganyifu wowote. Ukaguzi wa fedha unahusu utekelezaji wa taratibu kadhaa kupata ushahidi wa ukaguzi kuhusu idadi na ufichuzi katika taarifa za kifedha. Taratibu zilizoteuliwa zinategemea uamuzi wetu, ikiwa ni pamoja na ukadiriaji wa mashaka ya upotofu katika taarifa za kifedha, uwe ni udanganyifu au makosa. Wakati wa ukadiriaji huo, tunazingatia udhibiti wa ndani unaohusiana na maandalizi na uwasilishaji wa taarifa za haki za kifedha ili kubuni taratibu za ukaguzi wa fedha ambazo zinafaa wakati huo lakini sio kwa kuwa na dhamira ya kutoa maoni kuhusu kufaa kwa udhibiti wa kindani. Ukaguzi pia unajumuisha sera za uhasibu zinazotumiwa na kufaa kwa makadirio ya uhasibu yanayofanywa na wasimamizi pamoja na kukadiria uwasilishaji wa ujumla wa taarifa za kifedha.

Tunaamini kwamba ushahidi kuhusu ukaguzi wa fedha tuliopata unatosha na unafaa kutupatia msingi wa maoni yetu.

Maoni

Kwa maoni yetu, taarifa za kifedha zinatoa mtazamo halisi na wa haki wa kifedha wa Kundi na Kampuni kufikia tarehe 30 Juni 2007, na mapato halisi na mtiririko wa fedha kwa mwaka uliomalizika, kuambatana na viwango vya Kimataifa vya Ukaguzi wa kifedha na sheria za makampuni za Kenya.

Ripoti kuhusu mahitaji mengine ya kisheria

Kama inavyohitajika na kifungu cha sheria za makampuni cha Kenya, tunawafahamisha kuhusiana na ukaguzi wetu kwamba;

(i) Tumepata maelezo na fafanuzi zinazohitajika ambazo kwa ufahamu na imani yetu zilikuwa muhimu kwa madhumuni ya ukaguzi wetu.

(ii) Kwa maoni yetu Kampuni imeweka vyema vitabu vya hesabu ya fedha kama ilivyodhihirika kutokana na uchunguzi wetu wa vitabu hivyo; na

(iii) Mizania (Balance Sheet) ya Kampuni inaambatana na rekodi ya vitabu vya hesabu.

KPMG Kenya
Certified Public Accountants
P.O. Box 40612 - 00100
Nairobi

Tarehe: 30 Agosti 2007

Consolidated Income Statement

	Notes	2007 Shs'000	2006 Shs'000
Net revenue	4	27,328,764	20,906,885
Cost of sales		(11,212,736)	(7,895,833)
Gross profit		**16,116,028**	**13,011,052**
Other operating income/(expense)	5	205,024	391,485
Distribution costs		(1,582,958)	(1,364,209)
Administrative expenses		(5,282,265)	(4,105,638)
Operating profit	6	**9,455,829**	**7,932,690**
Finance income	8	513,893	379,389
Finance costs	8	-	(37,499)
Share of associate's profit after tax		734,634	762,826
Reorganisation costs		(68,585)	(460,357)
Profit before income tax		**10,635,771**	**8,577,049**
Income tax expense	9	(3,106,880)	(2,167,007)
Profit after income tax		7,528,891	6,410,042
Minority interest		(1,395,676)	(1,017,554)
Net profit attributable to the shareholders		**6,133,215**	**5,392,488**
Earnings per share:			
- basic		9.31	8.18
- diluted		9.31	8.18

The notes set out on pages 55 to 72 form an integral part of these financial statements.

EAST AFRICAN BREWERIES LIMITED

	Notes	2007 Shs'000	2006 Shs'000
CAPITAL EMPLOYED (Pages 51 & 52)			
Share capital	11	1,317,957	1,317,957
Share premium	11	1,959,100	1,959,100
Revaluation surplus	12	1,500,350	1,573,221
Retained earnings		9,294,786	8,967,173
Proposed dividends	10	4,388,798	2,734,762
Translation reserve		341,677	339,317
Total equity attributable to equity holders of the parent		18,802,668	16,891,530
Minority interest		2,048,108	1,694,040
Total equity		20,850,776	18,585,570
Non-current liabilities			
Deferred income tax liabilities	13	2,051,597	1,830,466
Provision for staff gratuity		-	75,234
		2,051,597	1,905,700
		22,902,373	**20,491,270**
REPRESENTED BY			
Non-current assets			
Property, plant and equipment	14(a)	10,317,328	9,134,222
Intangible asset – software	15(a)	944,453	-
Prepaid operating lease rentals	16	32,452	32,830
Investment in associate company	18(a)	1,030,765	1,039,516
Other investments	18(c)	10,400	10,400
Goodwill	15(b)	648,664	648,664
Deferred income tax asset	13	18,886	43,054
		13,002,948	10,908,686
Current assets			
Inventories	20	5,438,580	4,048,068
Receivables and prepayments	21(a)	4,427,318	2,356,436
Income tax recoverable		208,988	562,333
Term deposits		6,945,585	6,101,583
Cash and bank balances		1,082,776	804,591
		18,103,247	13,873,011
Current liabilities			
Payables and accrued expenses	22(a)	7,280,319	4,116,858
Current income tax payable		751,009	52,924
Dividends payable		172,494	120,645
		8,203,822	4,290,427
Net current assets		9,899,425	9,582,584
		22,902,373	**20,491,270**

The financial statements on pages 48 to 72 were approved by the Board of Directors on 30 August 2007 and were signed on their behalf by:

Director: C. P. Caldwell **Director: G. K. Mahinda**

The notes set out on pages 55 to 72 form an integral part of these financial statements.

Company Balance Sheet

	Notes	2007 Shs'000	2006 Shs'000
CAPITAL EMPLOYED (Page 53)			
Share capital	11	1,317,957	1,317,957
Share premium	11	1,959,100	1,959,100
Revaluation surplus	12	109,693	109,693
Retained earnings		6,596,533	7,462,757
Proposed dividends	10	4,388,798	2,734,762
Shareholders' funds		14,372,081	13,584,269
Non-current liabilities			
Deferred income tax liability	13	60,350	-
		14,432,431	**13,584,269**
REPRESENTED BY			
Non-current assets			
Property, plant and equipment	14(b)	331,859	226,659
Intangible assets – software	15(a)	944,453	-
Prepaid operating lease rentals	16	1,837	1,859
Investment in subsidiaries	17(a)	4,324,783	4,324,783
Investment in associate company	18(b)	3,769,745	3,565,783
Deferred income tax asset	13	-	9,691
Other investments	18(c)	10,400	10,400
		9,383,077	8,139,175
Current assets			
Receivables and prepayments	21(b)	3,271,322	2,097,176
Current income tax recoverable		106,657	21,934
Term deposits		1,970,000	3,354,812
Cash and bank balances		308,206	315,707
		5,656,185	5,789,629
Current liabilities			
Payables and accrued expenses	22(b)	434,337	223,890
Dividends payable		172,494	120,645
		606,831	344,535
Net current assets		5,049,354	5,445,094
		14,432,431	**13,584,269**

The financial statements on pages 48 to 72 were approved by the Board of Directors on 30 August 2007 and were signed on their behalf by:

Director: C. P. Caldwell

Director: G. K. Mahinda

The notes set out on pages 55 to 72 form an integral part of these financial statements.

	Share capital Shs'000	Share premium Shs'000	Revaluation reserve Shs'000	Translation reserves Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Total Shs'000	Minority interest Shs'000	Total equity Shs'000
2006:									
At 1 July 2005 as previously stated	**1,317,957**	**1,959,100**	**2,307,093**	-	**7,785,546**	**1,976,937**	**15,346,633**	**1,658,658**	**17,005,291**
Prior year adjustment in respect the defined benefit asset (Note 1)	-	-	-	-	(90,461)	-	(90,461)	(22,614)	(113,075)
Prior year adjustment in respect exchange differences on translation of foreign subsidiaries/associates (Note 2)	-	-	(269,691)	666,575	(396,884)	-	-	-	-
At 1 July 2005 as restated	**1,317,957**	**1,959,100**	**2,037,402**	**666,575**	**7,298,201**	**1,976,937**	**15,256,172**	**1,636,044**	**16,892,216**
Exchange differences on translation of foreign subsidiaries	-	-	-	(185,460)	-	-	(185,460)	(3,200)	(188,660)
Net profit for the year	-	-	-	-	5,392,488	-	5,392,488	1,017,554	6,410,042
Exchange differences on translation of foreign associate	-	-	-	(141,798)	-	-	(141,798)	-	(141,798)
Impairment of property, plant and equipment	-	-	(299,722)	-	-	-	(299,722)	(32,026)	(331,748)
Revaluation reserve realised on disposal of assets	-	-	(164,459)	-	164,459	-	-	-	-
Dividends:									
- 2005 final paid	-	-	-	-	-	(1,976,937)	(1,976,937)	(924,332)	(2,901,269)
- 2006 interim declared and paid	-	-	-	-	(1,153,213)	-	(1,153,213)	-	(1,153,213)
- 2006 final proposed	-	-	-	-	(2,734,762)	2,734,762	-	-	-
At 30 June 2006	**1,317,957**	**1,959,100**	**1,573,221**	**339,317**	**8,967,173**	**2,734,762**	**16,891,530**	**1,694,040**	**18,585,570**

Notes:

1. The prior year adjustment in respect of the defined benefit asset relates to the transfer of the defined benefit asset to the defined contribution scheme, per Note 1(m(i)).
2. The translation reserve comprises the transfer of the cumulative foreign exchange differences arising from translation of financial statements of foreign operations.

The notes set out on pages 55 to 72 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

2007:	Share capital Shs'000	Share premium Shs'000	Revaluation reserve Shs'000	Translation reserves Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Total Shs'000	Minority interest Shs'000	Total equity Shs'000
At 1 July 2006	**1,317,957**	**1,959,100**	**1,573,221**	**339,317**	**8,967,173**	**2,734,762**	**16,891,530**	**1,694,040**	**18,585,570**
Exchange differences on translation of foreign subsidiaries	-	-	-	132,625	-	-	132,625	2,794	135,419
Net profit for the year	-	-	-	-	6,133,215	-	6,133,215	1,395,676	7,528,891
Exchange differences on translation of foreign associate	-	-	-	(130,265)	-	-	(130,265)	-	(130,265)
Impairment of property, plant and equipment	-	-	(104,102)	-	-	-	(104,102)	-	(104,102)
Deferred tax on impairment	-	-	31,231	-	-	-	31,231	-	31,231
Dividends:									
- 2006 final paid	-	-	-	-	-	(2,734,762)	(2,734,762)	(1,044,402)	(3,779,164)
- 2007 interim declared and paid	-	-	-	-	(1,416,804)	-	(1,416,804)	-	(1,416,804)
- 2007 final proposed	-	-	-	-	(4,388,798)	4,388,798	-	-	-
At 30 June 2007	**1,317,957**	**1,959,100**	**1,500,350**	**341,677**	**9,294,786**	**4,388,798**	**18,802,668**	**2,048,108**	**20,850,776**

The notes set out on pages 55 to 72 form an integral part of these financial statements.

	Share capital Shs'000	Share premium Shs'000	Revaluation surplus Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Total Shs'000
At 1 July 2005	1,317,957	1,959,100	118,263	6,155,473	1,976,937	11,527,730
Profit for the year	-	-	-	5,186,689	-	5,186,689
Dividends:						
- Final for 2005 paid	-	-	-	-	(1,976,937)	(1,976,937)
- Interim for 2006 declared and paid	-	-	-	(1,153,213)	-	(1,153,213)
- Proposed final for 2006	-	-	-	(2,734,762)	2,734,762	-
Disposal of fixed assets	-	-	(8,570)	8,570	-	-
At 30 June 2006	**1,317,957**	**1,959,100**	**109,693**	**7,462,757**	**2,734,762**	**13,584,269**
Profit for the year	-	-	-	4,939,378	-	4,939,378
Dividends:						
- Final for 2006 paid	-	-	-	-	(2,734,762)	(2,734,762)
- Interim for 2007 declared and paid	-	-	-	(1,416,804)	-	(1,416,804)
- Proposed final for 2007	-	-	-	(4,388,798)	4,388,798	-
At 30 June 2007	**1,317,957**	**1,959,100**	**109,693**	**6,596,533**	**4,388,798**	**14,372,081**

The notes set out on pages 55 to 72 form an integral part of these financial statements.

Consolidated Cash Flow Statement

	Notes	2007 Shs'000	2006 Shs'000
Operating activities			
Cash generated from operations	26(a)	9,851,928	7,302,276
Interest received		495,333	379,389
Interest paid		-	(24,458)
Income tax paid		(1,795,008)	(2,560,964)
Net cash generated from operating activities		**8,552,253**	**5,096,243**
Investing activities			
Purchase of property, plant and equipment	14	(1,939,250)	(2,105,317)
Purchase of intangibles – software	15(a)	(960,461)	-
Proceeds from disposal of property, plant and equipment and prepaid operating lease rental		644	289,185
Dividends received from associate		613,120	609,522
Net cash used in investing activities		**(2,285,947)**	**(1,206,610)**
Financing activities			
Dividends paid to shareholders		(4,099,717)	(3,074,241)
Dividends paid to minority interest		(1,044,402)	(924,332)
Net cash used in financing activities		**(5,144,119)**	**(3,998,573)**
Increase in cash and cash equivalents		**1,122,187**	**(108,940)**
Movement in cash and cash equivalents			
At 1 July		6,906,174	7,015,114
Increase		1,122,187	(108,940)
At 30 June	26(b)	**8,028,361**	**6,906,174**

The notes set out on pages 55 to 72 form an integral part of these financial statements.

prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

iii. all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(f) Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost. Property, plant and equipment is subsequently shown at market value, based on periodic valuations by external independent valuers, less subsequent depreciation.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the income statement.

Depreciation is calculated on the straight line basis to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life as follows:

Buildings	25 years or the unexpired period of the lease
Plant and machinery	5 – 33 years
Equipment and motor vehicles	4 – 5 years

Freehold land is not depreciated.

The residual value, if not insignificant, is reassessed annually.

Property, plant and equipment are reviewed annually for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

(g) Intangible assets

(i) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to five years). These costs have been included under property, plant and equipment.

(ii) Goodwill

Goodwill arising on acquisition of subsidiaries and associates is stated at cost less accumulated impairment losses (Note (s)). At the balance sheet date, the group assesses the goodwill carried in the books for impairment.

(h) Investment property

Buildings, or part of a building, (freehold or held under a finance lease) and land (freehold or held under an operating lease) held for long term rental yields and/or capital appreciation and which are not occupied by the company are classified as investment property under non-current assets. Investment property is carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are included in other operating income in the income statement.

(i) Other investments

The company classifies its investments into available-for-sale investments and originated loans. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designations on a regular basis as follows:

Investments intended to be held for an indefinite period of time, but which may be sold in response to needs for liquidity or changes in interest rates, are classified as available-for-sale. These are included in non-current assets unless management has the express intention of holding the investment for less than 12 months from the balance sheet date or unless they will need to be sold to raise operating capital.

Non-equity investments purchased in the primary market (i.e. directly from the issuer) are classified as originated loans.

Purchases and sales of investments are recognised on the trade date, which is the date the company commits to purchase or sell the asset. Cost of purchase includes transaction costs. Available-for-sale investments are subsequently carried at fair value, whilst originated loans are carried at amortised cost using the effective yield method. Realised and unrealised gains and losses arising from changes in the fair value of available-for-sale investments are recorded in the income statement in the year in which they arise and are included in other operating income.

(j) Accounting for leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

1. **SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) **Basis of preparation**

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS).

(i) ***Statement of compliance***

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, and financial instruments carried at amortised cost.

(ii) ***Use of estimates and judgements***

The preparation of financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of current events, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

(iii) ***Functional and presentation currency***

These financial statements are presented in Kenya Shillings, which is the Group's functional currency.

(b) **Consolidation principles**

The consolidated financial statements include the company and its subsidiaries and associate made up to the end of the financial year. A listing of the major subsidiaries is set out on Note 17.

(c) **Basis of consolidation**

(i) ***Subsidiaries***

Subsidiaries are those enterprises controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain the benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) ***Associates***

An associated company is that in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of the associated company on an equity accounting basis, from the date that significant influence commences until the date that significant influence ceases. Consolidation adjustments are also made to ensure consistency with the group's accounting policies. At the company level, associates are recognised using the equity method.

(d) **Revenue recognition**

Sales of goods are recognised in the period in which the company delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.

Revenue represents the fair value of the consideration receivable for sales of goods and services, and is stated net of value-added tax (VAT), rebates and discounts.

Interest income is recognised on a time proportion basis using the effective interest method. Dividends are recognised as income in the period in which the right to receive payment is established.

(e) **Foreign currencies**

(i) ***Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement in the year in which they arise.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(ii) ***Group companies***

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
ii. income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

(l) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. A provision for impairment of receivables is established when there is objective evidence that the company will not be able to collect all the amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the present value of expected cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

(m) Employee benefits

(i) Retirement benefit obligations

The group operates defined contribution retirement benefit schemes for some of its employees. The defined benefit scheme that existed in the prior years was transferred to the group defined contribution retirement benefit scheme. The assets of all schemes are held in separate trustee administered funds, which are funded by contributions from both the group and employees. The group and all its employees also contribute to the National Social Security Fund, which is a defined contribution scheme.

The group's contributions to the defined contribution schemes are charged to the income statement in the year to which they relate. The company has no further obligation once the contributions have been paid.

For the defined benefit scheme, the pension costs are assessed using the projected unit credit method. Under this method the cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of employees in accordance with the advice of actuaries who carry out a full valuation of the plan every three years. The pension obligation is measured as the present value of the estimated future cash outflows. Actuarial gains and losses are recognised over the average remaining service lives of employees.

(ii) Other entitlements

The estimated monetary liability for employees' accrued annual leave entitlement at the balance sheet date is recognised as an expense accrual.

(iii) Equity compensation benefits

The stock option programme allows Group employees to acquire shares of the company.

(iv) Staff gratuity

On normal retirement after completion of continuous and meritious service with the group, both management and unionisable staff are entitled to 30 days pay for each completed year of service, after first completing 3 years of service, by way of gratuity, based on wage or salary at the time of such resignation or termination of services. A provision for the service gratuity is recognised in the financial statements as it accrues to each employee.

(n) Income tax

Current income tax is the amount of income tax payable on the profit for the year determined in accordance with the existing tax legislation.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, if the deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

(o) Dividends

Dividends on ordinary shares are charged to equity in the period in which they are declared. Proposed dividends are shown as a separate component of equity until declared.

(p) Discontinuing operations

A discontinuing operation is a clearly distinguishable component of the group's business that is abandoned or terminated pursuant to a single plan, and which represents a separate major line of business or geographical area of operations.

(q) Segmental reporting

Segment information is presented in respect of the group's geographical segments, which is the primary format and is based on the countries in which the group operates. The group has no distinguishable significant business segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment pricing is determined on an arms length basis.

(r) Provisions

Provisions are recognised when the company and group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

(s) Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported on the balance sheet when there is a legally enforceable right to set-off the recognised amount and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(t) Impairment

The carrying amounts of the group's assets other than stocks (Note (j)) and deferred tax (Note (m)) are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss recognised in the income statement whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

(i) Calculatian af recaverable amount

The recoverable amount of the group's investments in held-to-maturity securities and receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss in respect of a held-to-maturity security or receivable is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

However, an impairment loss on a revalued asset is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for the same asset.

(u) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, bank balances, and deposits held at call with the banks net of bank overdrafts.

(v) New standards and interpretations not yet adopted

IFRS 7 Financial Instruments: Disclosures and the Amendment to IAS 1 Presentation of Financial Statements Capital Disclosure: requires extensive disclosures about the significance of financial instruments for an entity's financial position and performance, and qualitative and quantitative disclosures on the nature and extent of risks. IFRS 7 and amended IAS 1, which become mandatory for the company's financial statements beginning on or after 1 January 2007, will require extensive additional disclosures with respect to the company; financial instruments and share capital.

(w) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a variety of financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. Treasury identifies, evaluates and hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investing excess liquidity.

The company has policies in place to ensure that sales are made to customers with an appropriate credit history.

14. PROPERTY, PLANT AND EQUIPMENT

(a) Group

	Freehold property Shs'000	Leasehold buildings Shs'000	Plant & equipment Shs'000	Motor vehicles Shs'000	Capital work in progress Shs'000	Total Shs'000
Cost or valuation						
At 1 July 2006	1,376,152	1,343,684	10,731,972	254,429	325,172	14,031,409
Exchange differences	-	24,651	117,139	-	96	141,886
Additions	12,606	-	101,090	-	1,825,554	1,939,250
Transfers	47,574	8,776	770,082	-	(826,432)	-
Reclassified to intangibles – software (Note 15(a))	-	-	(126,741)	-	-	(126,741)
Impairment of assets	-	(106,784)	-	-	-	(106,784)
Disposals	(66)	-	(5)	(20,368)	-	(20,439)
Impairment reversal	-	-	4,857	-	-	4,857
At 30 June 2007	1,436,266	1,270,327	11,598,394	234,061	1,324,390	15,863,438
Depreciation						
At 1 July 2006	32,974	125,512	4,551,188	187,513	-	4,897,187
Exchange differences	-	4,962	47,047	-	-	52,009
Reclassified to intangibles – software	-	-	(126,741)	-	-	(126,741)
Charge for the year	28,066	24,027	698,351	-	-	750,444
On disposals	(54)	-	-	(20,359)	-	(20,413)
Impairment reversal	-	-	(6,376)	-	-	(6,376)
At 30 June 2007	60,986	154,501	5,163,469	167,154	-	5,546,110
Net book amount						
At 30 June 2007	**1,375,280**	**1,115,826**	**6,434,925**	**66,907**	**1,324,390**	**10,317,328**
At 30 June 2006	**1,343,178**	**1,218,172**	**6,180,784**	**66,916**	**325,172**	**9,134,222**

Management reviewed the useful lives of some of the group's operating assets during the year resulting in minor adjustments in depreciation rates in line with Diageo Plc group depreciation policies.

13. DEFERRED INCOME TAX (Continued)

Deferred income tax assets and liabilities and deferred income tax charge/(credit) in the income statement are attributable to the following items:

Group

	1.7.2006 Shs'000	Prior year under/(over) provision Shs'000	Charged/ (credited) to income statement Shs'000	Recognised in equity Shs'000	Currency changes Shs'000	30.6.2007 Shs'000
Deferred income tax liabilities						
Property, plant and equipment	2,033,391	41,512	132,958	(31,231)	-	2,176,630
Unrealised exchange gain	83	(5,631)	42,037	-	-	36,489
Tax losses carried forward	(51,397)	-	105,890	-	-	54,493
Provisions	(151,611)	-	(64,403)	-	-	(216,014)
	1,830,466	35,880	216,482	(31,231)	-	2,051,597
Deferred income tax assets						
Property, plant and equipment:	200,212	-	(14,958)	-	16,088	201,342
Tax losses carried forward	(156,194)	1,874	-	-	-	(154,320)
Unrealised exchange gain	3,111	-	-	-	-	3,111
Provisions	(90,183)	8,081	13,083	-	-	(69,019)
	(43,054)	9,955	(1,875)	-	16,088	(18,886)
Net deferred income tax liability	**1,787,412**	**45,835**	**214,607**	**(31,231)**	**16,088**	**2,032,711**

A deferred tax asset composed mainly of tax losses of Shs 375,924,990 (2006 – Shs 376,746,963) associated with a subsidiary, Castle Brewing Kenya Limited, has not been recognised in the balance sheet as the directors do not expect the temporary difference to reverse in the foreseeable future.

Company

	1.7.2006 Shs'000	Charged/ (credited) to income statement Shs'000	Currency changes Shs'000	30.6.2007 Shs'000
Deferred income tax (assets)/liabilities				
Property, plant and equipment	31,895	54,792	-	86,687
Provisions	15,086	(32,455)	-	(17,369)
Unrealised exchange loses	(56,672)	47,704	-	(8,968)
	(41,586)	15,249	-	(26,337)
Net deferred income tax (assets)/liabilities	**(9,691)**	**70,041**	**-**	**60,350**

	2007 Shs'000	2006 Shs'000

4. ANALYSIS OF REVENUE

	2007 Shs'000	2006 Shs'000
Gross sales	47,272,753	37,449,324
Indirect taxes	(19,943,989)	(16,542,439)
	27,328,764	20,906,885

5. OTHER OPERATING INCOME

	2007 Shs'000	2006 Shs'000
Gain on disposal of property, plant and equipment	2,051	105,605
Royalty income from associate	74,845	62,067
Rental income	20,536	17,542
Sale of by products and scrap items	102,911	135,082
Other	4,681	71,189
	205,024	**391,485**

6. OPERATING PROFIT

The following items have been charged/(credited) in arriving at operating profit:

	2007 Shs'000	2006 Shs'000
Depreciation on property, plant and equipment (Note 14)	750,444	627,429
Amortisation of intangible asset – software (Note 15)	16,008	-
(Reversal)/Impairment of property, plant and equipment	(8,551)	62,481
Profit on disposal of property, plant and equipment	(618)	(105,605)
Operating lease rentals (Note 16)	378	389
Staff costs (Note 7)	2,358,777	2,176,287
Auditors' remuneration	13,851	12,471

7. STAFF COSTS

The following items are included within staff costs:

	2007 Shs'000	2006 Shs'000
Salaries and wages	2,071,808	1,792,535
Defined contribution scheme	18,677	26,961
Defined benefit scheme	-	19
National Social Security Fund	27,886	29,384
Other	240,406	327,388
	2,358,777	**2,176,287**

3. SEGMENTAL REPORTING

	Kenya 2007 Shs'000	Kenya 2006 Shs'000	Uganda 2007 Shs'000	Uganda 2006 Shs'000	Tanzania 2007 Shs'000	Tanzania 2006 Shs'000	Eliminations 2007 Shs'000	Eliminations 2006 Shs'000	Consolidated 2007 Shs'000	Consolidated 2006 Shs'000
External sales	21,247,632	16,499,418	6,081,132	4,407,467	-	-	-	-	27,328,764	20,906,885
Inter segment sales	2,683,915	2,065,183	-	-	-	-	(2,683,915)	(2,065,183)	-	-
Total sales	**23,931,547**	**18,564,601**	**6,081,132**	**4,407,467**	-	-	**(2,683,915)**	**(2,065,183)**	**27,328,764**	**20,906,885**
Segment profit from operations	8,368,767	6,956,613	1,087,062	976,077	-	-	-	-	9,455,829	7,932,690
Net finance income/costs	427,643	309,502	86,250	32,388	-	-	-	-	513,893	341,890
Share of associate profits	-	-	-	-	734,634	762,826	-	-	734,634	762,826
Profit before reorganisation costs and tax	**8,796,410**	**7,266,115**	**1,173,312**	**1,008,465**	**734,634**	**762,826**	-	-	**10,704,356**	**9,037,406**
Reorganisation costs	(68,585)	(408,430)	-	(51,927)	-	-	-	-	(68,585)	(460,357)
Income tax expense	(2,695,986)	(1,867,329)	(410,894)	(299,678)	-	-	-	-	(3,106,880)	(2,167,007)
Segment results	**6,031,839**	**4,990,356**	**762,418**	**656,860**	**734,634**	**762,826**	-	-	**7,528,891**	**6,410,042**
Minority results									(1,395,676)	(1,017,554)
Net profit for the year									**6,133,215**	**5,392,488**
OTHER INFORMATION										
Segment assets	26,711,443	21,942,519	5,273,962	2,839,178	-	-	-	-	31,985,405	24,781,697
Segment liabilities	8,361,598	4,570,885	2,080,821	1,625,242	-	-	-	-	10,442,419	6,196,127
Capital expenditure	2,473,197	1,890,452	426,515	214,865	-	-	-	-	2,899,712	2,105,317
Depreciation expense	587,996	483,823	178,622	143,606	-	-	-	-	766,618	627,429
Impaired assets written down through reserves and profit and loss	(11,233)	205,475	-	-	-	-	-	-	(11,233)	205,475

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.
Segment revenue is based on the geographical location of both customers and assets.

	2007 Shs'000	2006 Shs'000

8. FINANCE INCOME/(COSTS)

	2007 Shs'000	2006 Shs'000
Finance income:		
Interest income	495,333	379,389
Net foreign exchange gain	18,560	-
	513,893	379,389
Finance cost:		
Net foreign exchange losses	-	(13,041)
Interest expense	-	(24,458)
	-	(37,499)
Net finance income	513,893	341,890

9. INCOME TAX

	2007 Shs'000	2006 Shs'000
Income tax		
Current income tax	2,840,443	1,902,331
Prior year (over)/under provision	5,995	(55,175)
	2,846,438	1,847,156
Deferred tax		
Current year	214,607	425,832
Prior year under/(over) provision	45,835	(105,981)
	260,442	319,851
Income tax expense	**3,106,880**	**2,167,007**

The tax on the group's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	2007 Shs'000	2006 Shs'000
Profit before income tax	**10,635,771**	**8,577,049**
Tax calculated at the statutory income tax rate of 30% (2006 - 30%)	3,190,731	2,573,115
Tax effect of:		
Expenses not deductible for tax purposes/income not taxable	75,367	(16,113)
Unrelieved tax losses	9,342	-
Effect of share of associate profit	(220,390)	(228,839)
Operations in foreign jurisdictions	-	-
Under/(over) provision in prior year – income tax	5,995	(55,175)
Under/(over) provision in prior year – deferred tax	45,835	(105,981)
Income tax expense	**3,106,880**	**2,167,007**

10. DIVIDENDS PER SHARE

Proposed dividends are accounted for as a separate component of equity until they have been ratified at an annual general meeting.

A final dividend in respect of the year ended 30 June 2007 of Shs 5.50 per share amounting to a total of Shs 4,388,797,676 has been proposed. During the year an interim dividend of Shs 2.15 per share, amounting to a total of Shs 1,416,804,055 was paid. The total dividend for the year is therefore Shs 7.70 per share (2006 – Shs 5.90), amounting to a total of Shs 5,805,601,730 (2006 – Shs 3,887,975,000).

Payment of dividends is subject to withholding tax at a rate of either 0%, 5% or 10% depending on the residence of the respective shareholders.

11. SHARE CAPITAL

	Number of shares (Thousands)	Ordinary shares Shs'000	Share premium Shs'000
Balance at 1 July 2006 and 30 June 2007	658,979	1,317,957	1,959,100

The total authorised number of ordinary shares is 1,000,000,000 with a par value of Shs 2 per share. All issued shares are fully paid.

12. REVALUATION SURPLUS

The revaluation surplus represents the surplus on the revaluation of plant, property and equipment, freehold land and buildings net of deferred income tax and is non-distributable.

13. DEFERRED INCOME TAX

Deferred income tax is calculated using the enacted income tax rate of 30% (2006 – 30%). The movement in the deferred income tax account is as follows:

Group	**2007 Shs'000**	**2006 Shs'000**
At 1 July 2006 and 2005	1,787,412	1,491,627
Charge to income statement (Note 9)		
- Current year	214,607	425,832
- Prior year (over)/under provision	45,835	(105,981)
Recognised in equity	(31,231)	-
Currency changes	16,088	(24,066)
At 30 June	2,032,711	1,787,412
Made up of:		
Deferred income tax assets	(18,886)	(43,054)
Deferred income tax liabilities	2,051,597	1,830,466

Company		
At 1 July 2006 and 2005	(9,691)	8,582
Credit to income statement	70,041	(18,273)
At 30 June	60,350	(9,691)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Company

	Leasehold buildings Shs'000	Plant and equipment Shs'000	Capital work in progress Shs'000	Total Shs'000
Cost or valuation				
At 1 July 2006	154,500	213,634	54,460	422,594
Intercompany transfers	-	(54,791)	-	(54,791)
Reclassified to intangibles – software (Note 15(a))	-	(126,741)	-	(126,741)
Additions	-	58,409	108,497	166,906
At 30 June 2007	154,500	90,511	162,957	407,968
Depreciation				
At 1 July 2006	8,385	187,550	-	195,935
Reclassified to intangibles – software	-	(126,741)	-	(126,741)
Charge for the year	4,634	2,281	-	6,915
At 30 June 2007	13,019	63,090	-	76,109
Net book amount				
At 30 June 2007	**141,481**	**27,421**	**162,957**	**331,859**
At 30 June 2006	**146,115**	**26,084**	**54,460**	**226,659**

(c) In 2004, Knight Frank (Kenya) Limited professionally valued the group's land and buildings in Kenya on the existing use basis. The resulting surplus was credited to a revaluation surplus account in June 2004. The valuations and appraisals were carried out in accordance with RICS Appraisal and Valuation manual ("The Red Book") and were based on expected use. The land and buildings in Uganda is still carried at the professional valuation of 1998 on the open market value for existing use. Other items of property, plant and equipment were revalued by Lloyd and Masika Limited on the basis of open market value for existing use as at 30 June 1996.

As at 30 June 2007, there were no assets pledged by the group to secure liabilities.

In the opinion of the directors, there is no impairment of property, plant and equipment.

If the buildings and freehold land were stated on the historical cost basis, the amounts would be as follows:

Group	Freehold properties Shs'000	Leasehold buildings Shs'000	Plant and equipment Shs'000	Motor vehicles Shs'000	Total Shs'000
Cost	729,164	826,036	13,091,775	142,392	14,789,367
Accumulated depreciation	(178,521)	(179,587)	(5,438,686)	(142,379)	(5,939,173)
Net book amount					
At 30 June 2007	**550,643**	**646,449**	**7,653,089**	**13**	**8,850,194**
At 30 June 2006	**519,630**	**670,363**	**6,694,241**	**13**	**7,884,247**

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Continued

Company

	Leasehold buildings Shs'000	Plant and equipment Shs'000	Computer software Shs'000	Capital work in progress Shs'000	Total Shs'000
Cost	1,000	318,263	960,461	162,957	1,442,681
Accumulated depreciation	-	(309,779)	(32,015)	-	(341,794)
Net book amount					
At 30 June 2007	**1,000**	**8,484**	**928,446**	**162,957**	**1,100,887**
At 30 June 2006	**1,000**	**26,083**	**-**	**54,460**	**81,543**

15. INTANGIBLE ASSET

(a) Software – Group and Company

	Shs'000
Cost	
At 1 July 2006	-
Additions	960,461
Reclassified from property, plant and equipment (Note 14)	126,741
	1,087,202
Amortisation	
At 1 July 2006	-
Reclassification from property, plant and equipment (Note 14)	126,741
Amortisation during the year	16,008
	142,749
Net carrying value	
At 30 June 2007	**944,453**
At 30 June 2006	-

(b) Goodwill – Group

	UBL Shs'000	CBKL Shs'000	TBL Shs'000	UDV(K) Shs'000	IDU Shs'000	Total Shs'000
Cost						
At 1 July 2006 and 30 June 2007	116,415	334,249	2,129,421	461,662	260,324	3,302,071
Amortisation						
At 1 July 2006 and 30 June 2007	116,415	334,249	2,129,421	46,166	27,156	2,653,407
Net book amount						
At 30 June 2006 and 2007	-	-	-	**415,496**	**233,168**	**648,664**

The goodwill represents the excess of cost of acquisitions over the fair value of identifiable assets and liabilities of the respective companies.

	2007 Shs'000	2006 Shs'000

22. PAYABLES AND ACCRUED EXPENSES

(a) Group

	2007 Shs'000	2006 Shs'000
Trade payables	2,349,425	1,262,168
VAT and excise duty payable	1,581,624	1,287,422
Other creditors	2,283,704	1,049,885
Payable to related parties (Note 27)	1,065,566	517,383
	7,280,319	**4,116,858**

(b) Company

	2007 Shs'000	2006 Shs'000
Other payables	318,242	92,225
Payable to related parties (Note 27)	116,095	131,665
	434,337	**223,890**

23. CONTINGENT LIABILITIES – Group

Contingent liabilities incurred in the ordinary course of business:

	2007 Shs'000	2006 Shs'000
Guarantees in respect of bank advances to barley farmers	85,706	283,384
Pending legal cases	69,775	52,192
Other liabilities	118,610	98,892
	274,091	**434,468**

24. COMMITMENTS

Capital commitments – Group

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	2007 Shs'000	2006 Shs'000
Contracted but not provided for	1,907,270	432,054
Authorised but not contracted for	374,400	1,427,286

25. OPERATING LEASE COMMITMENTS

(a) Group leases as lessee

Two subsidiaries in the Group (Kenya Breweries Limited and Uganda Breweries Limited) have entered into operating lease agreements for leasing of commercial and non-commercial vehicles. Lease payments cover principal rentals, maintenance fees, fleet management costs and insurance costs.

19. EMPLOYEES BENEFIT (Continued)

Executive share option scheme

Movements in the number of share options held for the employees under the Executive Option Scheme are as follows:

	2007	2006
Outstanding at 1 July 2005 and 2004	1,059,013	1,219,705
Bonus issue of shares	-	-
	1,059,013	1,219,705
Additional shares as a result of share split	-	-
	1,059,013	1,219,705
Granted during the year	136,871	136,988
Lapsed	(16,658)	(9,185)
Exercised	(215,460)	(288,495)
Outstanding at 30 June	**963,766**	**1,059,013**
Exercise price per share – KShs	**24.04**	**20.03**

Options may be exercised at prices ranging between Shs 12.63 and KShs 148.60 (2006 – KShs 12.63 and KShs 148.60).

Employee Share Save Scheme

As at 30 June 2007, the Trust's obligation to members under the employee share save scheme stood at 686,240 shares (2006 – 1,594,345). During the year, 908,105 (2006 – 31,550) shares were exercised by employees. The exercise price per share is Shs 12.13 (2006 – Shs 12.13).

20. INVENTORIES

	2007 Shs'000	2006 Shs'000
Group		
Raw materials	2,368,635	1,645,025
Consumables	2,260,680	1,587,555
Finished goods	655,516	635,794
Goods in transit	153,749	179,694
	5,438,580	**4,048,068**

21. RECEIVABLES AND PREPAYMENTS

	2007 Shs'000	2006 Shs'000
(a) Group		
Trade receivables	2,182,970	1,058,381
Barley advances	94,601	74,121
Other receivables	2,091,309	1,011,883
Receivable from related parties (Note 26)	58,438	212,051
	4,427,318	**2,356,436**
(b) Company		
Other receivables	374,425	66,581
Receivable from related parties (Note 27)	2,896,897	2,030,595
	3,271,322	**2,097,176**

18. INVESTMENTS IN ASSOCIATES

(a) Group

	Effective interest	2007 Shs'000	2006 Shs'000
Tanzania 8reweries Limited	20%	1,030,765	1,039,516
At 1 July 2006 and 1 July 2005		1,039,516	1,024,595
Group's share of profit after tax		734,634	762,B26
Currency translation adjustment		(130,265)	(138,383)
Dividend received by the group		(613,120)	(609,522)
At 30 June		**1,030,765**	**1,039,516**

The above represents the Group share of net assets of the associated company.

(b) Company

	2007 Shs'000	2006 Shs'000
Tanzania 8reweries Limited (58,9B5,693 ordinary shares of TShs 100 each)	**3,769,745**	**3,565,783**

Effective 12 December 2002, the company purchased 20% of the issued share capital of Tanzania Breweries Limited, which has been accounted for on an equity basis.

(c) Other investments (group and company)

	2007 Shs'000	2006 Shs'000
Unquoted: at cost		
4,000 ordinary shares (representing 20%) in Sen-Tech Limited	400	400
20% investment in Challenge Fund Limited who in turn have subscribed to 50% in Central Depository and Settlement Corporation Limited	10,000	10,000
	10,400	**10,400**

There are no material differences between fair value and cost for these investments.

19. EMPLOYEES BENEFIT

Defined benefit asset

The defined benefit schemes that existed in the prior years have been wound up and transferred to the group defined contribution retirement benefits.

Equity compensation benefits

The directors, through an independent Trust, are empowered to grant share options to group employees. These options are granted for a maximum period of ten years and a minimum period of three years at a price determined by the market value ruling on the Nairobi Stock Exchange on the day preceding the day on which the options are granted. The shares to be exercised within this Trust have been issued directly through the company and also purchased at the stock exchange.

16. PREPAID OPERATING LEASE RENTALS

Leases of land have been classified as operating leases.

(a) Group	2007 Shs'000	2006 Shs'000
Cost		
At 1 July 2006 and 1 July 2005	38,671	38,882
Disposal	-	(211)
	38,671	38,671
Amortisation		
At 1 July 2006 and 2005	(5,841)	(5,452)
Amortisation for the year	(378)	(389)
	(6,219)	(5,841)
At 30 June	**32,452**	**32,830**

(b) Company	2007 Shs'000	2006 Shs'000
Cost		
At 1 July 2006 and 1 July 2005	2,250	2,250
Amortisation		
At 1 July 2006	(391)	(359)
Amortisation for the year	(22)	(32)
	(413)	(391)
At 30 June	**1,837**	**1,859**

17. INVESTMENTS IN SUBSIDIARIES

At cost:	Effective interest	2007 Shs'000	2006 Shs'000
Kenya Breweries Limited	80%	1,806,847	1,806,847
Salopia Limited	100%	200	200
Allsopps (EA) Sales Limited	100%	2	2
East African Breweries (Mauritius) Limited	100%	389	389
Central Glass Industries Limited	100%	790,288	790,288
Uganda Breweries Limited	98.20%	687,647	687,647
International Distillers Uganda Limited	100%	300,000	300,000
East African Maltings Limited (Formerly Kenya Maltings Limited)	100%	-	-
UDV (Kenya) Limited	46.32%	589,410	589,410
Castle Brewing Kenya Limited	100%	150,000	150,000
		4,324,783	**4,324,783**

25. OPERATING LEASE COMMITMENTS (Continued)

Future minimum lease payments under these operating leases are as follows:

	2007 Shs'000	2006 Shs'000
Not later than 1 year	370,353	393,573
Later than 1 year and not later than 5 years	801,253	877,353
	1,171,606	**1,270,926**

(b) Group leases as lessor

The group has entered into operating lease agreements for leasing part of its properties.

Future minimum lease receipts under these operating leases are as follows:

	2007	2006
Not later than 1 year	10,590	14,329
Later than 1 year and not later than 5 years	15,903	21,494
	26,493	**35,823**

26. CASH GENERATED FROM OPERATIONS

(a) Reconciliation of profit before income tax to cash generated from operations

	2007 Shs'000	2006 Shs'000
Profit before income tax	10,635,771	8,577,049
Adjustments for:		
Interest income (Note 8)	(495,333)	(379,389)
Income from associates	(734,634)	(762,826)
Interest expense (Note 8)	-	24,458
Depreciation (Note 14)	750,444	627,429
Amortisation of intangible asset – software (Note 15(a))	16,008	-
Amortisation of prepaid operating lease rentals	378	389
Exchange differences	61,630	(57,036)
Profit on sale of property, plant and equipment and Prepaid operating lease rentals	(618)	(105,605)
Prior year reversal of impairment loss on property, plant and equipment	-	(188,754)
Reversal/loss on impairment of property, plant and equipment	(8,551)	62,481
Net decrease in gratuity provisions	(75,234)	(121,536)
Changes in working capital:		
- receivables and prepayments	(2,070,882)	(162,846)
- inventories	(1,390,512)	(712,841)
- payables and accrued expenses	3,163,461	501,303
Cash generated from operations	**9,851,928**	**7,302,276**

(b) Cash and cash equivalents

	2007	2006
Term deposit	6,945,585	6,101,583
Cash and bank balances	1,082,776	804,591
	8,028,361	**6,906,174**

27. RELATED PARTY TRANSACTIONS

The company is controlled by Diageo plc incorporated in the United Kingdom. There are other companies that are related to East African Breweries Limited through common shareholdings or common directorships.

The following transactions were carried out with related parties:

	2007 Shs'000	2006 Shs'000
(a) Sale of goods and services		
Other related parties	**27,617**	**65,319**
(b) Purchase of goods and services		
Parent company	1,907,393	1,501,843
Other related parties	170,511	213,164
	2,077,904	**1,715,007**

Sales and purchases to/from related parties were made at terms and conditions similar to those offered to major customers.

	2007 Shs'000	2006 Shs'000
(c) Outstanding balances arising from sale and purchase of goods/services		
(i) Group		
Receivables from related parties	**58,438**	**212,051**
Payable to related parties	**1,065,566**	**517,383**
(ii) Company		
Receivables from subsidiaries	2,896,897	1,882,701
Receivables from related parties	-	147,894
Receivables from related parties	**2,896,897**	**2,030,595**
Payables to related parties	**116,095**	**131,665**
(d) Directors' remuneration		
(i) Group		
Fees for services as a director	10,612	11,984
Other emoluments	159,619	194,124
	170,231	**206,108**
(ii) Company		
Fees for services as a director	9,390	11,066
Other emoluments	51,264	84,086
	60,654	**95,152**

28. ULTIMATE HOLDING COMPANY

The utimate holding company is Diageo plc, which is incorporated in the United Kingdom.

29. INCORPORATION

The company is incorporated in Kenya under the Companies Act (CAP 486).

Value generated	2007 Kshs'000	2006 Kshs'000
Derived from turnover	47,272,753	37,449,324
Bought in materials and services	(15,068,850)	(10,891,917)
Value Added	**32,203,903**	**26,557,407**
Share of associate profit	734,634	762,826
Total Funds available for allocation	**32,938,537**	**27,320,233**

This was shared as follows	2007 Kshs'000	%	2006 Kshs'000	%
Staff	2,358,777	7.16%	2,176,287	7.97%
Governement as taxes	23,050,869	69.98%	18,709,446	68.48%
Banks and other lenders	0	0.00%	24,458	0.09%
Minority interests	1,395,676	4.24%	1,017,554	3.72%
Shareholders	6,133,215	18.62%	5,392,488	19.74%
	32,938,537	**100.00%**	**27,320,233**	**100.00%**

2007	
Banks and other lenders	0%
Minorities interest	4.24%
Staff	7.16%
Shareholders	18.62%
Government as taxes	69.98%

2006	
Banks and other lenders	0.09%
Minorities interest	3.72%
Staff	7.97%
Shareholders	19.74%
Government as taxes	68.48%

Shareholding

Summary of Shareholders as at 30th June 2007

	Category	Shares	Shareholders	%
1.	Kenyan Institution	421,969,759	1,071	64.03%
2.	Kenyan Individual	126,876,985	22,226	19.25%
3.	Foreign Institution	96,281,296	45	14.61%
4.	Foreign Individual	8,439,163	542	1.28%
5.	East African Institution	1,446,210	29	0.23%
6.	East Africa Individual	3,965,217	1,609	0.60%
	TOTAL	**658,978,630**	**25,522**	**100.00%**

Largest 10 Shareholders as at 30th June 2007

	Name	No. of shares	%
1	Diageo Kenya Limited	282,181,950	42.82
2	Board of Trustees NSSF Board	30,919,600	4.69
3	Diageo Holdings Netherlands B.V.	29,960,330	4.55
4	Guiness Overseas Ltd	17,190,670	2.61
5	Barclays Bank Kenya Nominee Ltd. A/c 9011	16,483,777	2.50
6	Stanbic Nominees Kenya Ltd - A/c NR 70001	15,553,465	2.36
7	Barclays (K) Nominees Ltd A/c 9326	10,540,295	1.60
8	Kanaksinh Karsandas & Sandip Kanaksinh Babla	9,174,530	1.39
9	Kenya Reinsurance Corporation Ltd	8,830,640	1.34
10	Barclays (K) Nominees Ltd Non Resident A/c 9002	7,877,349	1.20
	TOTAL NUMBER OF SHARES	**428,712,606**	**65.06**
	OTHER SHAREHOLDERS 25,635	**230,266,024**	**34.94**
	TOTAL	**658,978,630**	**100.00**

EAST AFRICAN BREWERIES LIMITED

Proxy

Fomu ya Uwakilishi

I/We ______________________________

____

Share A/c No. ______________________________

of (address) ______________________________

____

being a member(s) of East African Breweries Limited, hereby appoint

____

____

or failing him the duly appointed Chairman of the meeting to be my/our proxy, to vote on my/our behalf at the 85th Annual General Meeting of the Company to be held on 1 November 2007 at 11.00 a.m. or at any adjournment thereof.

As witness to my/our hands

This __________ day of November 2007

Signature(s) ______________________________

Notes:

1. This proxy is to be delivered to the Company Secretary not later than 11.00 a.m. on 30 October 2007 failing which it will be invalid.
2. In case of a corporation, the proxy must be under its common seal.

Mimi/Sisi ______________________________

____

Nambari ya akaunti ya hisa ______________________________

anwani ______________________________

____

kama mwanahisa/wanahisa wa East African Breweries namteua/ tunamteua ______________________________

wa (anwani) ______________________________

na akikosa yeye, namteua/tutamteu Mwenyekiti wa mkutano kama mwakilishi wangu/wetu, kupiga kura kwa niaba yangu/yetu kwenye Mkutano Mkuu wa mwaka wa Themanini na Tatu wa Kampuni utakaofanyika tarehe 1 Novemba 2007 saa tano za asubuhi ama siku yoyote ile endapo mkutano huo utaahirishwa.

Sahihi ______________________________

Sahihi hii/hizi imewekwa/zimewekwa tarehe ________ Novemba 2007.

Maelezo muhimu:

1. Iwapo hutaweza kuhudhuria mkutano huu wewe mwenyewe binafsi, ni lazima fomu hii ya uwakilishi ijazwe kikamilifu na kufikishwa kwa Katibu wa Kampuni kabla ya saa tano za asubuhi ya Jumanne, tarehe 30 Oktoba 2007 na isipofikia wakati huo, uteuzi wako/wenu wa uwakilishi hautafaa.
2. Iwapo mteuaji ni shirika, fomu hii ya uwakilishi ni lazima ipigwe muhuri wa kampuni hiyo.

ADMISSION CARD

PLEASE ADMIT ______________________________

To the Annual General Meeting of East African Breweries Limited which will be held at Safari Park Hotel, Ruaraka, Nairobi on 1 November 2007 at 11.00 a.m.

This admission card must be produced by the Shareholder or proxy in order to obtain entrance to the Annual General Meeting.

A Murgor (Mrs.)

Company Secretary

Name of Shareholder ______________________________

____

Address of shareholder ______________________________

____

Number of shares held ______________________________

Fold 2
Pili Kunja Hapa

Fold 1
Kwanza Kunja Hapa

Company Secretary
East African Breweries Limited
P O Box 30161
00100 Nairobi
Kenya

Fold 3
Halafu Kunja Hapa