

# NITL

## THE NATIONAL INVESTMENT TRUST PLC FORMERLY NATIONAL INVESTMENT TRUST LIMITED

(Incorporated in Malawi on 20<sup>th</sup> September 2001 under registration number 6024)

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

#### Statement of comprehensive income

	Unaudited 6 Months Ended 30 Jun 2017	Unaudited 6 Months Ended 30 Jun 2016	Audited 12 months Ended 31 Dec 2016
	MK'000	MK'000	MK'000
<b>Income</b>			
Dividends	184 187	125,440	229,212
Interest income	18 861	12,267	32,104
<b>Total Income</b>	<b>203 048</b>	<b>137,707</b>	<b>261,316</b>
<b>Total expenses</b>	<b>(59 085)</b>	<b>(50,251)</b>	<b>(98,854)</b>
<b>Operating profit before tax</b>	<b>143 963</b>	<b>87 456</b>	<b>162 462</b>
<b>Fair Value gain/ (loss) on equity investments</b>	<b>880 549</b>	<b>(1,042,593)</b>	<b>(1 258 690)</b>
<b>Profit/ (Loss) before tax</b>	<b>1 024 512</b>	<b>(955,137)</b>	<b>(1 096 228)</b>
<b>Income tax expense</b>	<b>(15 664)</b>	<b>(12,981)</b>	<b>25 207</b>
<b>Net profit/ (loss) for the year</b>	<b>1 008 848</b>	<b>(968,118)</b>	<b>(1 071 021)</b>
<b>Total comprehensive income/ (loss) attributable to equity holders of the company</b>	<b>1 008 848</b>	<b>(968,118)</b>	<b>(1 071 021)</b>
<b>Number of shares in issue (Thousand)</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>
<b>Basic and diluted earnings/ (loss) per share (Tambala)</b>	<b>747</b>	<b>(717)</b>	<b>(793)</b>

#### Statement of cash flows

	Unaudited 6 Months Ended 30 June 2017 MK'000	Unaudited 6 Months Ended 30 June 2016 MK'000	Audited 15 Months Ended 31 Dec 2016 MK'000
<b>Operating activities</b>			
Dividends received	119 886	106,716	227 983
Interest received	19 154	13,956	32 996
	139 040	120,672	260 979
Operating expenditure	(37 925)	(57,833)	(91 092)
	101 115	62,839	169 887
Taxes paid	(14 328)	(23,204)	(38 528)
<b>Cash flows from operating activities</b>	<b>86 787</b>	<b>39,635</b>	<b>131 359</b>
<b>Investing activities</b>			
Purchase of shares	(64 056)	(16,463)	(148 657)
Disposal of Shares	57 000	55,105	213 163
<b>Cash flows from investing activities</b>	<b>(7 056)</b>	<b>38,642</b>	<b>64 506</b>
<b>Financing activities</b>			
Dividends paid	(94 500)	(108,000)	(148 500)
<b>Cash flows used in financing activities</b>	<b>(94 500)</b>	<b>(108,000)</b>	<b>(148 500)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(14 769)</b>	<b>(29,723)</b>	<b>47 365</b>
Cash and cash equivalents at beginning of year	257 226	209 861	209 861
<b>Cash and cash equivalents at end of year</b>	<b>242 457</b>	<b>180,138</b>	<b>257 226</b>

#### Statement of financial position

	Unaudited 6 Months Ended 30 Jun 2017 MK'000	Unaudited 6 Months Ended 30 Jun 2016 MK'000	Audited 15 Months Ended 31 Dec 2016 MK'000
<b>Assets</b>			
Equity investments	7 164 679	6,519,035	6 277 074
Deferred tax	48 462	-	48 462
Other current assets	75 809	28,399	3 039
Cash and cash equivalents	242 457	180,138	257 226
<b>Total assets</b>	<b>7 531 407</b>	<b>6,727,572</b>	<b>6 585 801</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	2,700	2,700	2,700
Share premium	169,550	169,550	169,550
Retained earnings	7 269 007	6,498,062	6 354 659
<b>Total equity</b>	<b>7 441 257</b>	<b>6,670,312</b>	<b>6 526 909</b>
<b>Liabilities</b>			
Deferred tax liability	-	4,999	-
Income tax	3 554	2,268	2 216
Current liabilities	86 596	49,993	56 676
<b>Total liabilities</b>	<b>90 150</b>	<b>57,260</b>	<b>58 892</b>
<b>Total equity and liabilities</b>	<b>7 531 407</b>	<b>6,727,572</b>	<b>6 585 801</b>

#### Statement of changes in equity

	Share Capital MK'000	Share Premium MK'000	Retained Earnings MK'000	Total MK'000
Balance as at 1 January 2016	2,700	169,550	7,574,180	7,746,430
Dividends paid	-	-	(148,500)	(148,500)
Total comprehensive loss	-	-	(1,071,021)	(1,071,021)
31 December 2016	2,700	169,550	6,354,659	6,526,909
Balance as at 1 January 2017	2,700	169,550	6 354 659	6 526 909
Dividends paid	-	-	(94 500)	(94 500)
Total comprehensive income	-	-	1 008 848	1 008 848
30 June 2017	2,700	169,550	7 269 007	7 441 257

#### Overview of results

During the period the Company's equity portfolio grew by 14.1% (2016: 20.6% decrease) while the Malawi Domestic Share Index grew by 18.4% (2016: 18.2% decrease). Dividend income increased by 46.8% (2016: 42.4% decrease) to K184 million from K125 million in prior period. The company had revaluation gains on its equity investments amounting to K880 million compared to a loss of K1 billion in the previous period. Overall the Company made a profit after tax of K1 billion (2016: K968 million loss after tax) largely due to share price gains of most investee companies.

#### Dividends

The Directors approved an interim dividend of 50 tambala per share (2016 interim: 30 tambala per share) payable on 20 October 2017 to shareholders appearing in the register at the close of business on 13 October 2017. The register of members will be closed from 13 October 2017 to 20 October 2017.

By order of the Board.



R.E. Mdeza  
Director



G.M. Msisha  
Director