



TPS EASTERN AFRICA LIMITED

AUDITED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31st DECEMBER 2007

The Board of Directors of TPS Eastern Africa Limited is pleased to announce the audited results and financial statements for the year ended 31st December 2007.

PROFIT AND LOSS ACCOUNT:

| | 2007 Shs 000s | 2006 Shs 000s |
|---|------------------|------------------|
| Turnover | 3,667,660 | 3,264,006 |
| Earnings before Exchange loss, Interest, Depreciation and Taxation | 975,333 | 897,417 |
| Exchange loss on foreign currency loans | - | (35,078) |
| Interest | (145,883) | (161,715) |
| Depreciation | (216,912) | (205,973) |
| Share of results of Associate | 4,842 | 3,954 |
| Profit before tax | 617,380 | 498,605 |
| Current tax | (76,794) | (47,409) |
| Deferred tax | (124,111) | (118,536) |
| Profit after tax | 416,475 | 332,660 |
| Attributable to: | | |
| Equity shareholders | 414,367 | 309,244 |
| Minority shareholders | 2,108 | 23,416 |
| Total | 416,475 | 332,660 |
| Earnings per share (Shs) | | |
| - basic & diluted | 3.91 | 3.01 |
| Weighted average number of shares (000s) | 105,865 | 102,712 |

BALANCE SHEET:

| | 2007 Shs'000 | 2006 Shs'000 |
|-------------------------|------------------|------------------|
| CAPITAL EMPLOYED | | |
| Shareholders' funds | 3,678,413 | 3,403,992 |
| Non-current liabilities | 1,774,649 | 2,077,532 |
| | 5,453,062 | 5,481,524 |
| REPRESENTED BY | | |
| Non-current assets | 5,384,314 | 5,147,995 |
| Net current assets | 68,748 | 333,529 |
| | 5,453,062 | 5,481,524 |

STATEMENT IN CHANGES OF EQUITY:

| | Share Capital Shs'000 | Share premium Shs'000 | Revaluation reserves Shs'000 | Translation reserves Shs'000 | Retained earnings Shs'000 | Minority interest Shs'000 | Total Shs'000 |
|--|-----------------------------|-----------------------------|------------------------------------|------------------------------------|---------------------------------|---------------------------------|------------------|
| Year ended 31 December 2006 | | | | | | | |
| At start of year | 77,682 | 1,306,696 | 309,067 | (99,104) | 504,182 | 289,517 | 2,388,040 |
| Net (losses)/gains recognised directly in equity | | | 406,615 | (76,812) | 44,416 | 129,217 | 503,436 |
| Net (loss)/profit | - | - | - | - | 309,244 | 23,416 | 332,660 |
| Issue of shares | 10,539 | 599,980 | - | - | - | | 610,519 |
| Acquisition of minority shareholding | - | - | - | - | - | (376,179) | (376,179) |
| Dividends: | | | | | | | |
| - final for 2005 paid | - | - | - | - | (31,020) | (23,464) | (54,484) |
| At end of year | 88,221 | 1,906,676 | 715,682 | (175,916) | 826,822 | 42,507 | 3,403,992 |

| | Share Capital Shs'000 | Share premium Shs'000 | Revaluation reserves Shs'000 | Translation reserves Shs'000 | Retained earnings Shs'000 | Minority interest Shs'000 | Total Shs'000 |
|--|-----------------------------|-----------------------------|------------------------------------|------------------------------------|---------------------------------|---------------------------------|------------------|
| Year ended 31 December 2007 | | | | | | | |
| At start of year | 88,221 | 1,906,676 | 715,682 | (175,916) | 826,822 | 42,507 | 3,403,992 |
| Net (losses)/gains recognised directly in equity | | | (17,681) | 29,601 | 915 | - | 12,835 |
| Net (loss)/profit | - | - | - | - | 414,367 | 2,108 | 416,475 |
| Bonus issue of shares | 17,644 | - | - | - | (17,644) | - | - |
| Acquisition of minority shareholding | - | - | - | - | - | (44,615) | (44,615) |
| Dividends: | | | | | | | |
| - final for 2006 paid | - | - | - | - | (110,276) | - | (110,276) |
| At end of year | 105,865 | 1,906,676 | 698,001 | (146,315) | 1,114,184 | - | 3,678,411 |

SUMMARY CASHFLOW STATEMENT:

| | 2007 Shs'000 | 2006 Shs'000 |
|---|------------------|-----------------|
| Net cash generated from/(used in) operating activities | 636,324 | 822,545 |
| Net cash used in investing activities | (538,479) | (470,417) |
| Net cash (used in)/from financing activities | (240,750) | (297,661) |
| Increase / (decrease) in cash and cash equivalents | (142,905) | 54,467 |
| Movement in cash and cash equivalents | | |
| At start of period | 122,082 | 64,829 |
| Translation movement | 63 | 2,786 |
| Increase in cash | (142,905) | 54,467 |
| At end of period | (20,758) | 122,082 |

Commentary

The tourism industry in East Africa during 2007 witnessed increased arrivals from both traditional and new source markets. The positive business environment resulted in the Group achieving commendable results. Profit before tax recorded a 24% increase over 2006, despite the strengthening of both the Kenya Shilling and the Tanzania Shilling, during 2007, against foreign currencies.

The Group continued its policy of making investments in pursuit of new business initiatives and in the training and development of its human resources during 2007. These investments together with the Group's commitment to cost-efficient management, without sacrificing operating standards, have enabled the Group to maintain its strong financial standing and market position.

The Group remains a significant contributor to Governments' revenue in the East Africa region and paid the equivalent of Kshs 606.5 million in direct and indirect taxes and Kshs. 132.2 million to local authorities in royalty / rent payments in 2007. In addition the Group continues to adhere to the highest standards relating to environmentally and socially responsible practices and positively contributes to economic activities of local communities in which it operates.

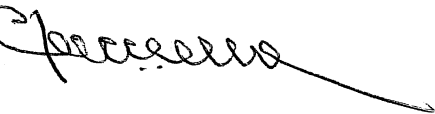
Dividend

The Directors are recommending for approval at the forthcoming Annual General Meeting, the payment of a final dividend for 2007 of Kshs 1.25 per share, subject to withholding tax, where applicable. The dividend will be payable on or about 1st July, 2008 to members on the Register at the close of business on 30th May, 2008.

Annual General Meeting

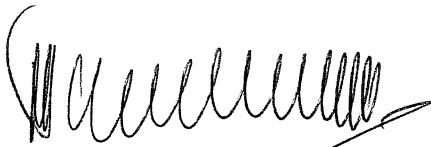
Notice is hereby given that the Annual General Meeting of the Company will be held on Friday, 30th May, 2008 at 2.30 pm at Kenyatta International Conference Centre, Nairobi.

By Order of the Board



Francis Okomo-Okello
Chairman

3rd April 2008
Nairobi



Mahmud Jan Mohamed
Managing Director

The above financial results, statement of changes in equity and summarized cash flow statements are an extract from the audited financial statements for the Group for the year ended 31 December 2007.