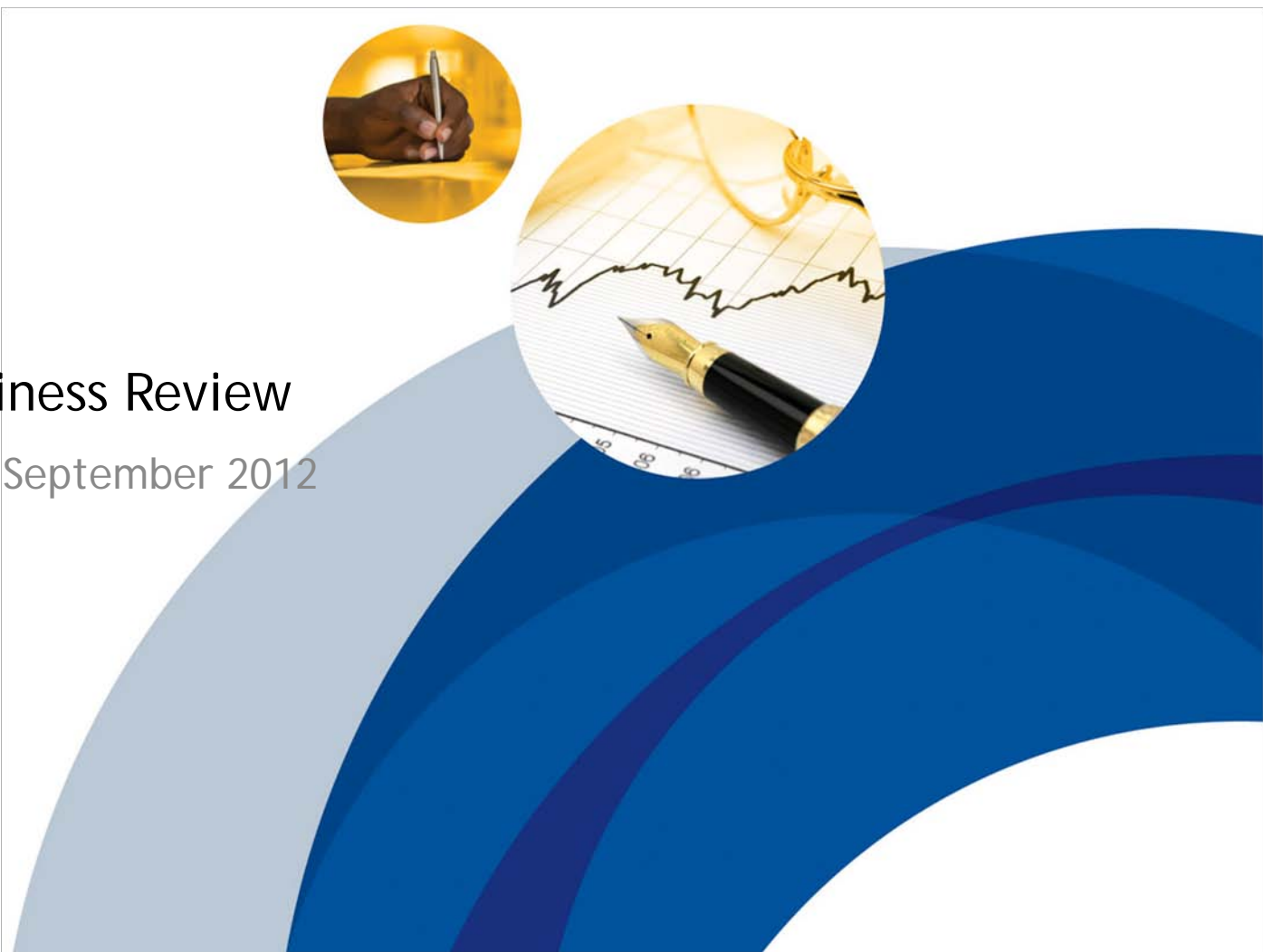


Performance and Business Review

For the period ended 30th September 2012

20th November 2012



Agenda

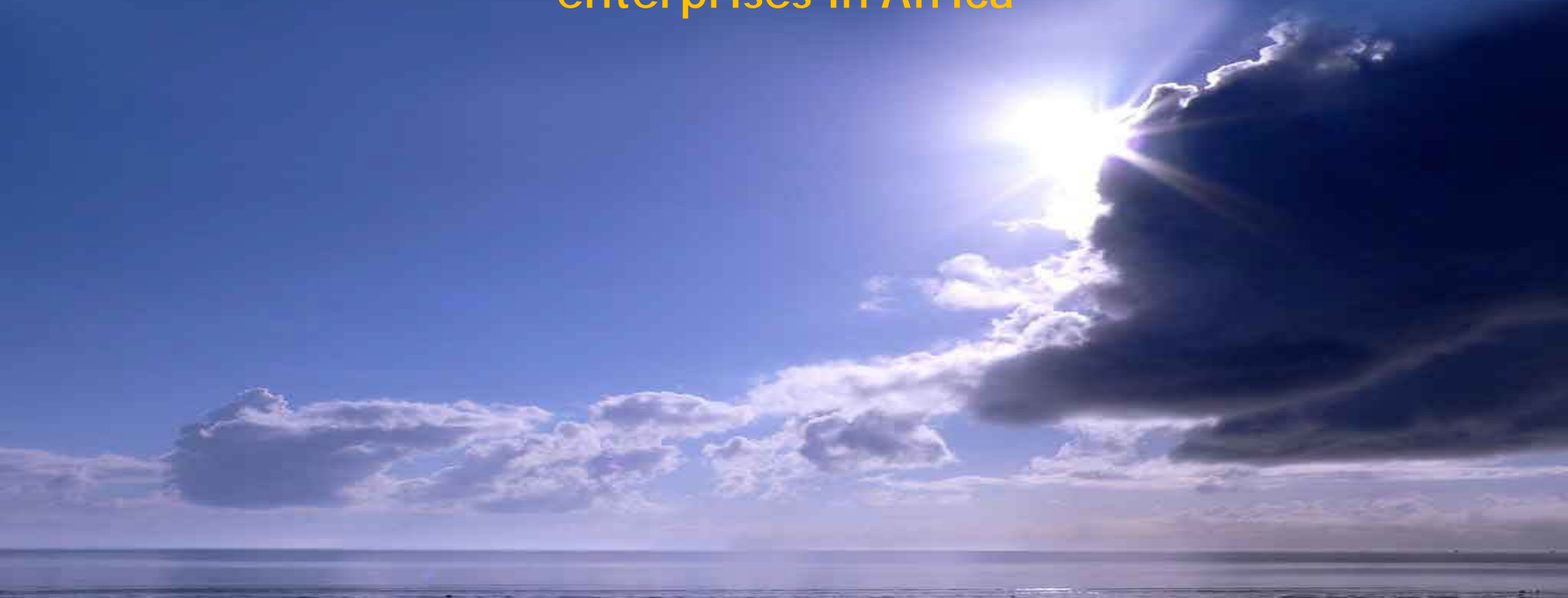
- 1 Overview
- 2 Financial Performance
- 3 Business Line reviews
- 4 Q&A

Agenda

- 1 Overview
 - Our Business
 - Our Strategy
 - Funding strategy
 - Risk management
- 2 Financial Performance
- 3 Business Line reviews
- 4 Q&A

Our Mission

To create real tangible wealth by providing the channel through which investors access and build extraordinary enterprises in Africa

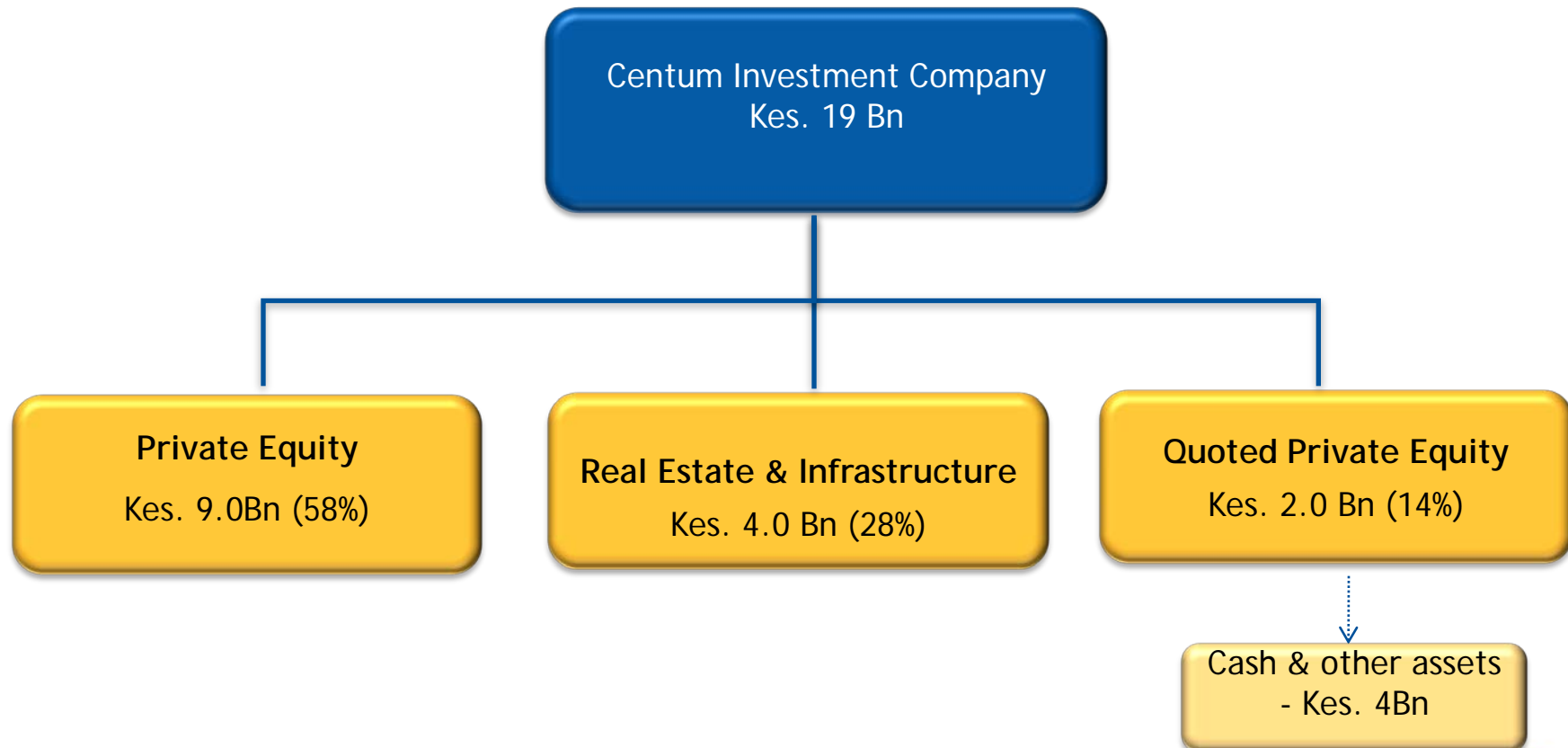


We are a channel providing investors with access to a portfolio of otherwise inaccessible, quality, diversified investments



Our Business

We invest across three principal business lines



As at 30 September 2012

Agenda

- 1 Overview
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- 4 Q&A

Strategy

1
PERFORMANCE



Our focus
Consistent delivery market beating returns

Progress to date
NAV has grown by 137% since 2009

2
DIVERSIFICATION



Diversify by geography and asset class with 50% being outside Kenya

Currently 16% of portfolio outside Kenya
Growth of PE & REI to 87% from 62% in 2009

3
GROWTH



Grow AUM to Kshs 30Bn by 2014

Kshs 19 Bn in AUM

4
BRAND



Deliver through people

We have increased focus on brand and enhanced internal capacity

5
COSTS

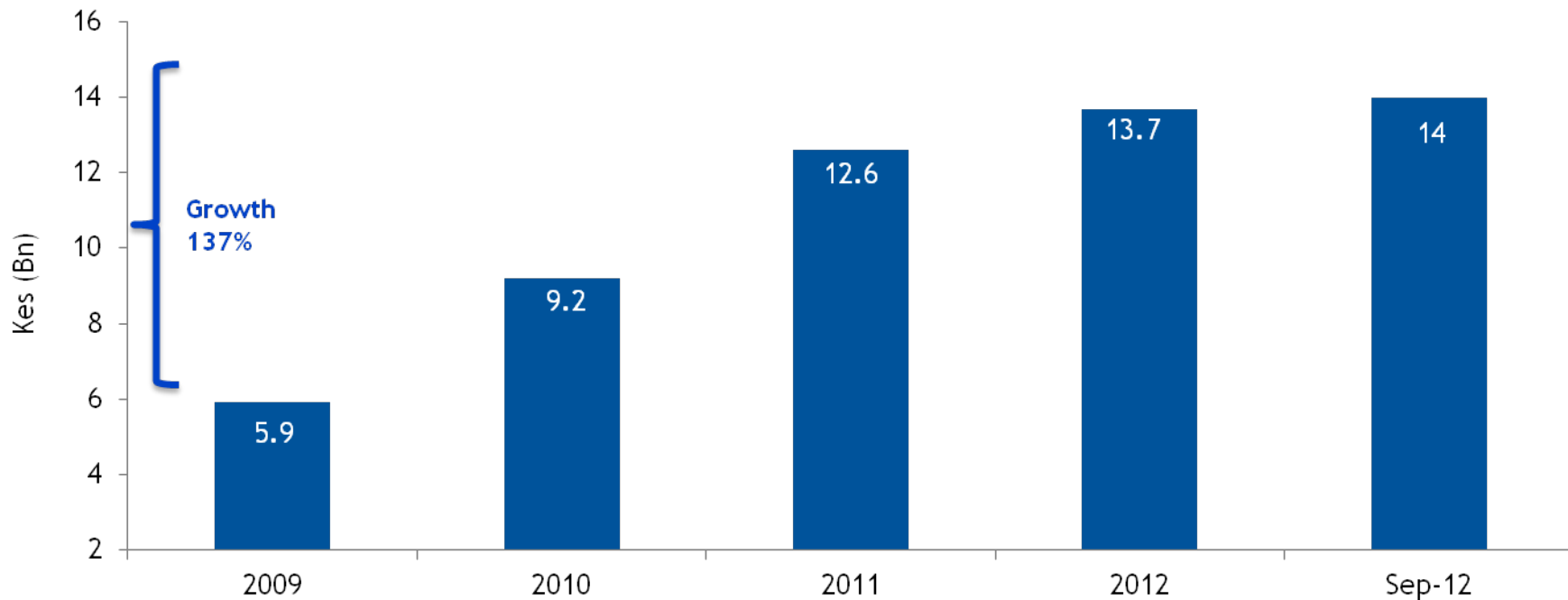


Maintain costs below 2.5% of AUM

We have maintained costs below 2.5% of AUM

1.1 Performance – shareholder wealth

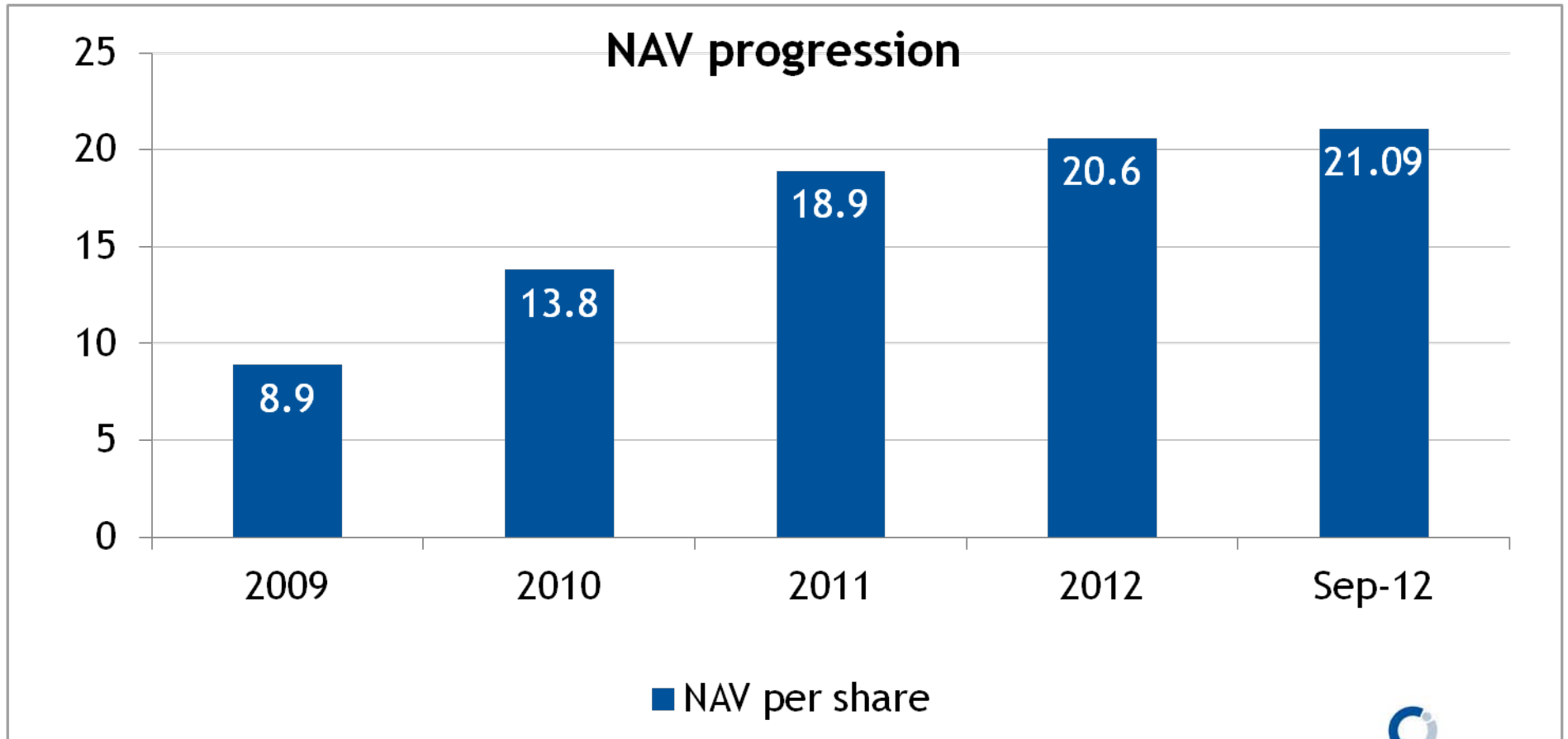
We have grown shareholder wealth by Kes. 8.1Bn in 42 months



Refer to page 7 of our Interim financial statements

1.2 Performance - NAV

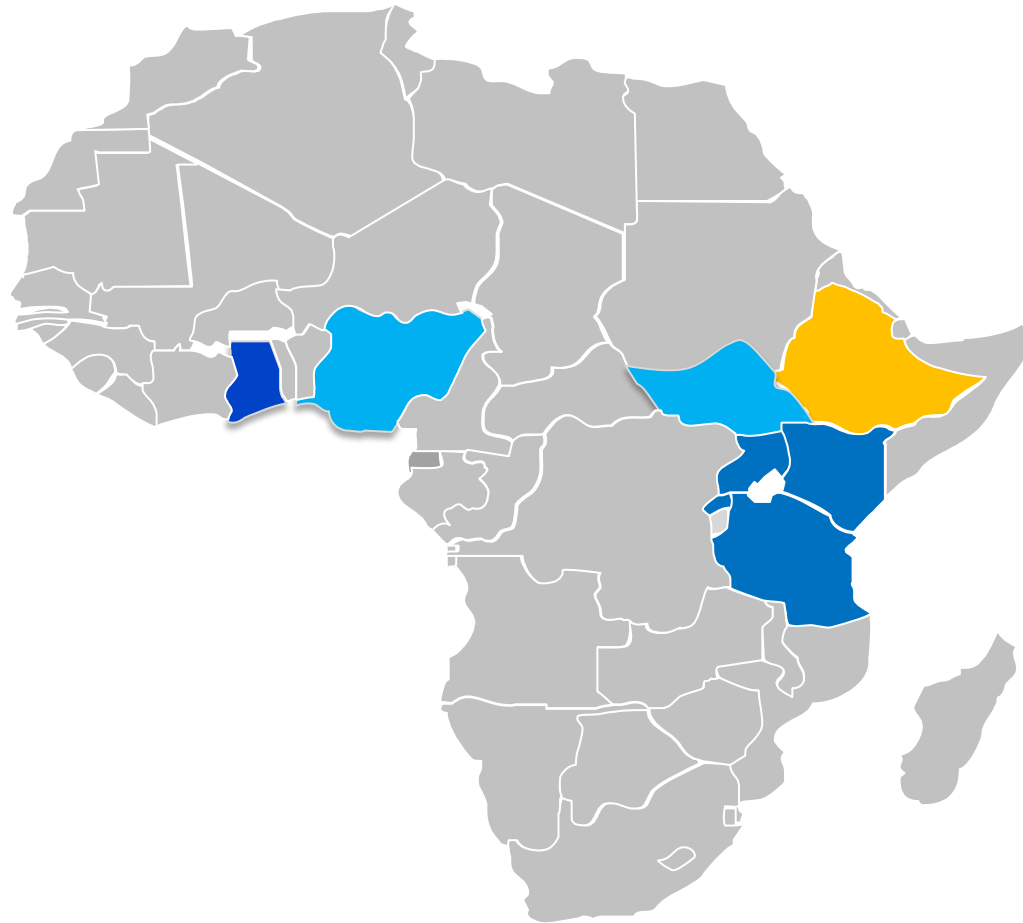
We recorded a 137% growth in NAV since 2009



1.3 Performance against market




Year	Centum NAV Return	NSE 20 Return	Centum Outperformance
2010	56%	43%	13%
2011	37%	-4%	41%
2012	9%	-13%	22%
Sep 2012	3%	18%	(15)%
Geometric Average	24%	12%	21%

2. Diversification - geographical



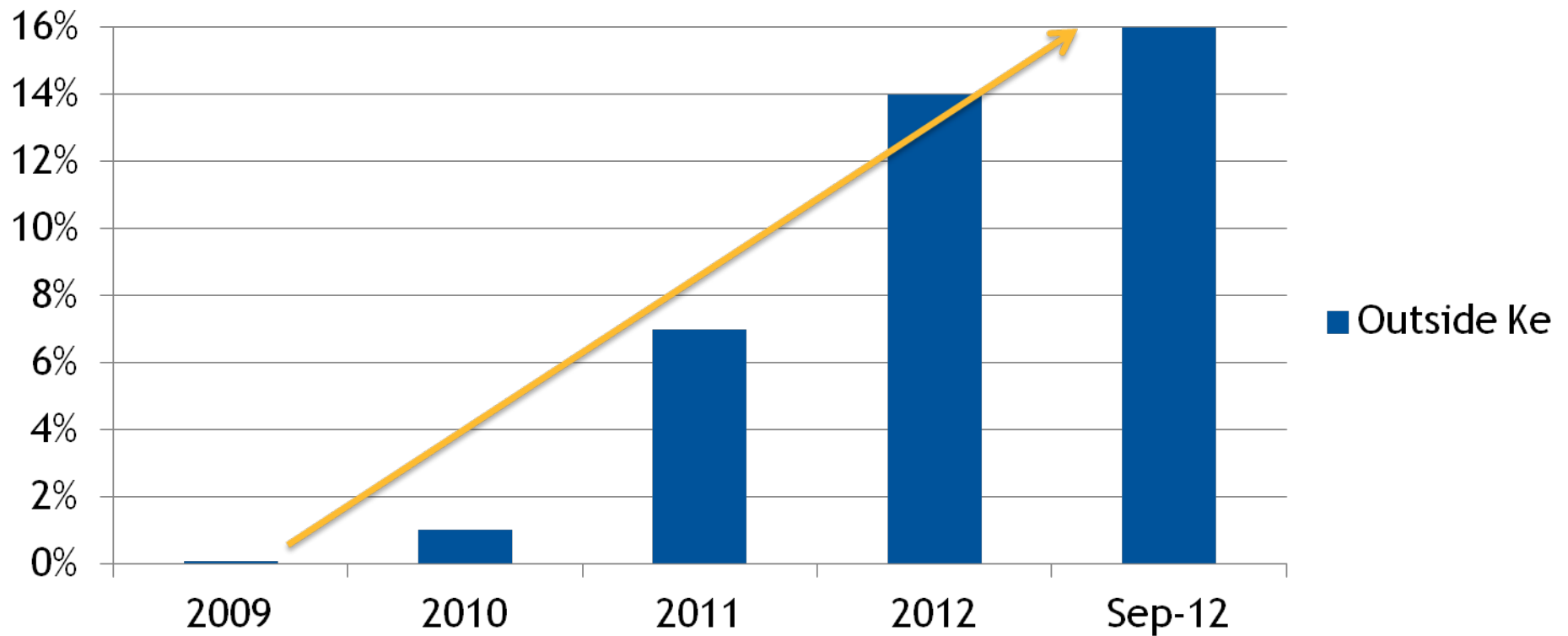
We continue to position ourselves as a Pan African investment firm

Our current focus is on Anglophone East and West Africa

	Direct Presence
	Indirect presence
	Current target areas

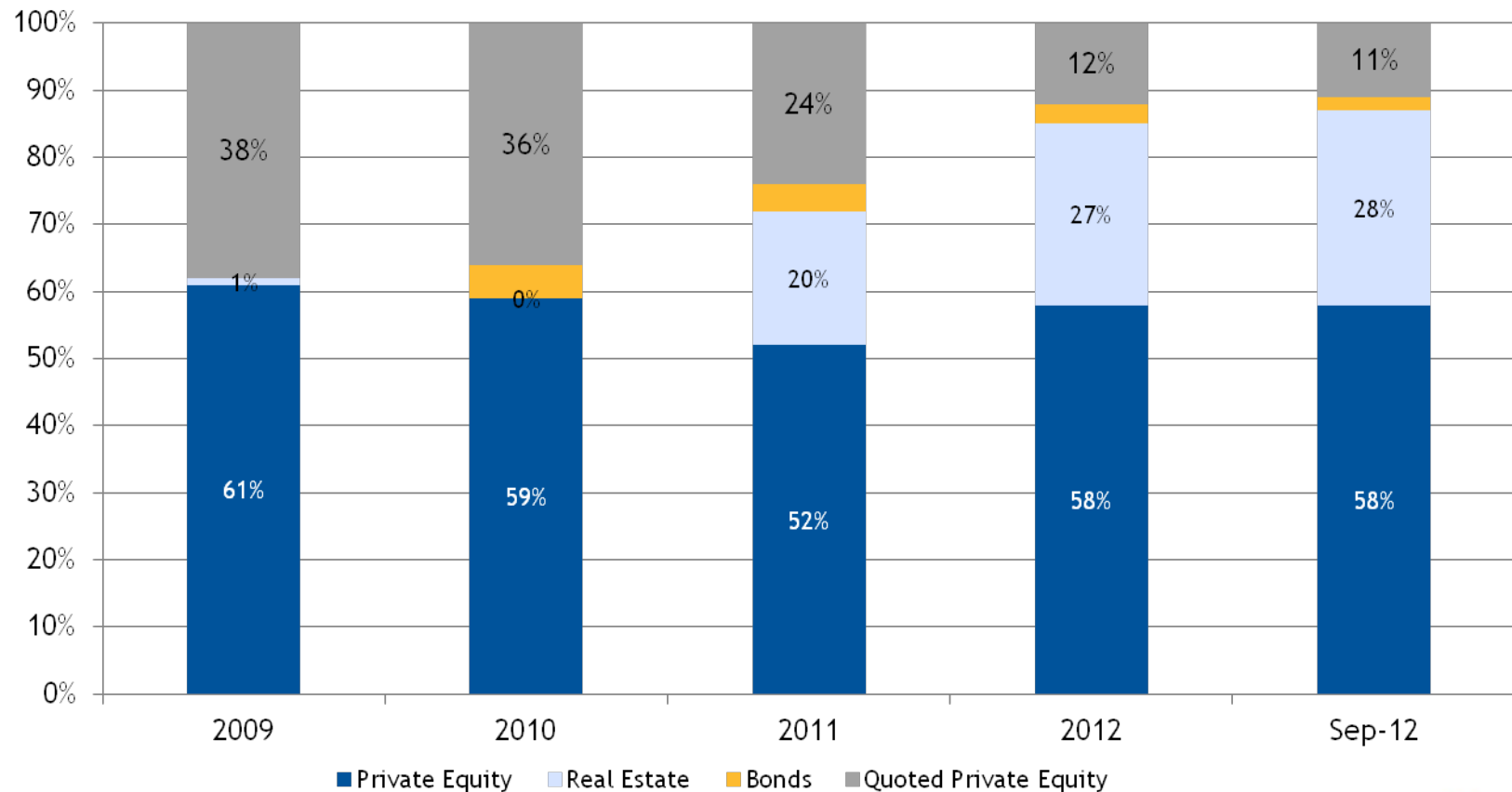
2. Diversification - geographical

Our portfolio outside Kenya increased from less than 1% in 2009 to 16% in Sept 2012



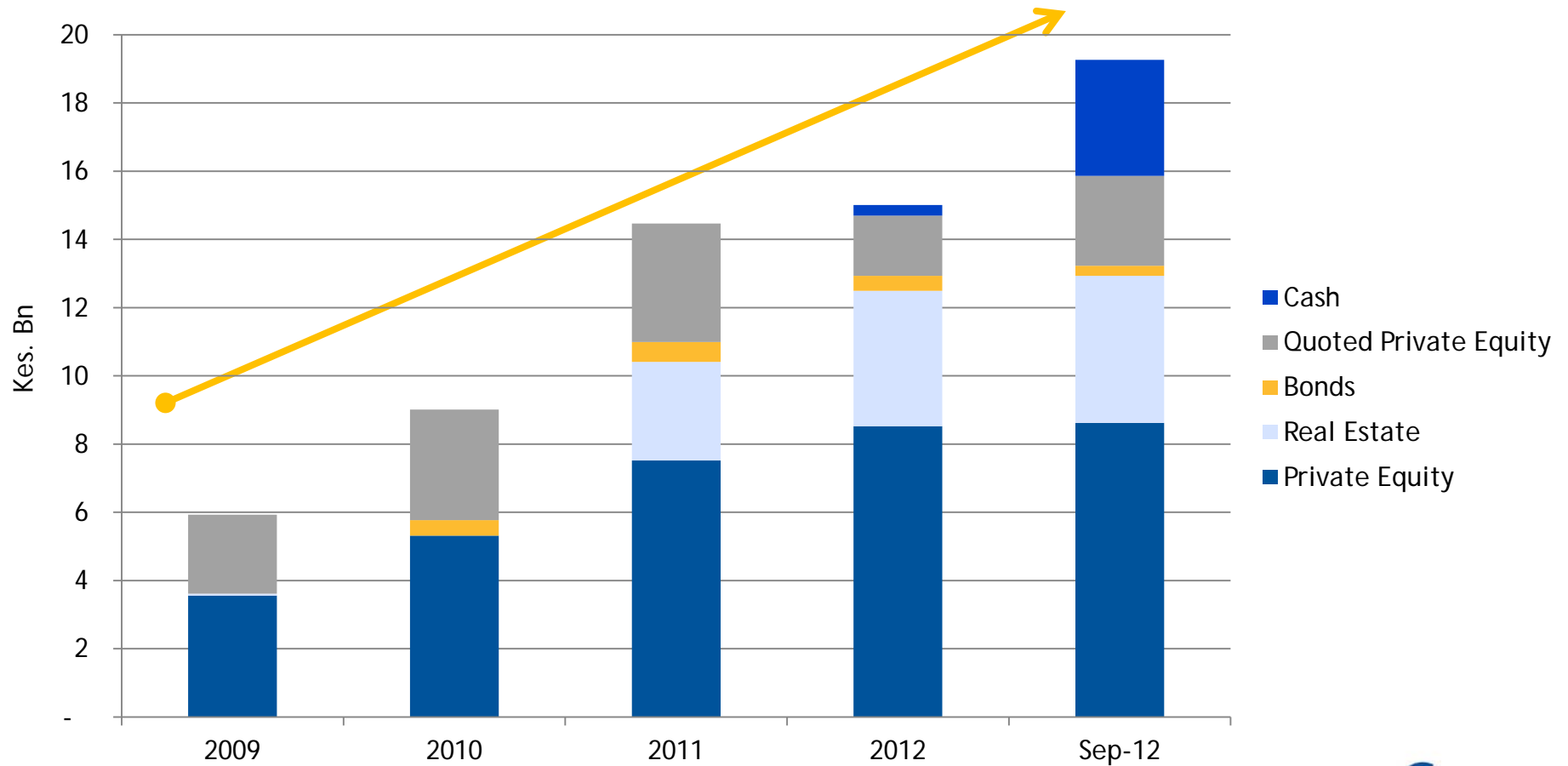
2. Diversification- asset class

We continue to provide access to an otherwise inaccessible portfolio



3. Growth - total assets

We have grown total assets to Kes.19 Bn from Kes.6Bn in 2009



4. Brand - our people drive our ability to deliver to promise

**Our people are the
foundation of our
success and the
key to our future**

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Funding strategy

Investment Operations financed by a mix of internally generated funds and Debt

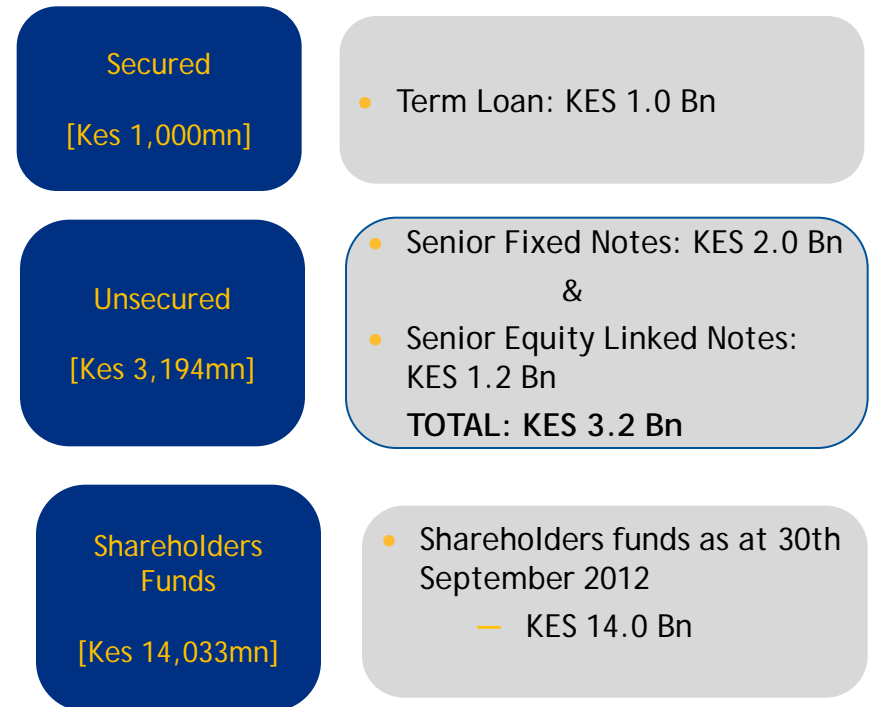
- Internally generated funds**
 - Centum has over the years primarily financed its investments through internally generated funds (dividend, interest & rental income and proceeds on disposal of investments net of operating expense)
- Borrowings/Debt**
 - Centum also finances investments through borrowings in either bonds and/or bank facilities
- Equity financing/Project debt**
 - Centum's Strategy is also to seek Project specific debts or equity financing to funds growth in its business line
- Third party funds**
 - In Centum's strategy third party funds are also critical in achieving our goal of asset growth

Successful Bond Raising

Raised Kes.3.2Bn in the largest privately placed bond in Kenya

Terms	Description	
Series amounts	1. Unsecured Fixed Rate Note	1.944 Bn
	2. Equity Linked Fixed Rate Note	1.250 Bn
Pricing	1. Unsecured Fixed Rate Note	13.5%
	2. Equity Linked Fixed Rate Note	12.5% with an equity upside provision (depending on the reported NAV of Centum during relevant periods subject to a maximum upside of 15% of the principal amount)
Rating	The issue was rated A- by GCR	
Tenor	5 years for both notes	
Listing	Application made to CMA and NSE. We are awaiting the listing approval	

Capital Structure as at 30th September 2012



The Equity cushion is over 3.3x the value of the unsecured debt

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Risk Management at Centum

We have prioritized management of the following risks that may affect achievement of our organizations objectives:



An accepted risk is part of our core business; We therefore aim to optimise it rather than mitigate it.

Encompasses market (including FX & credit risks), poor investee performance, and failure of capital projects.

Managed through rigorous investment appraisals and portfolio management processes; portfolio limits; and diversification (asset class, geography and sector).

Management of this risk is embedded in all business processes and decisions and is part of performance targets for all staff.

Risk management..continued

Management of our key risks



Arises from the design & implementation of our business model and out of the key decisions made in relation to investment & capital allocation.

Managed through periodic strategy reviews, involvement of board committees in strategic decisions and disciplined management of key projects.



Missed investment opportunities / inability to implement key projects due to inability to secure funding either at corporate level or project level (including delays).

Managed through innovative capital raising strategies at corporate level, supported by targeted financing at project and business line level.

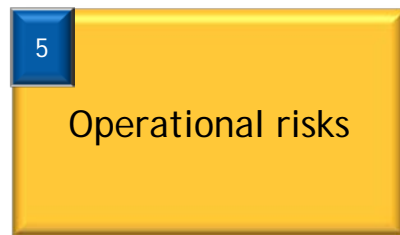
Risk management..continued

Management of our key risks



Concentration of key business expertise, knowledge and decisions to a few individuals. Also includes difficulties in obtaining adequately skilled personnel to fill key business positions.

Managed through existence of a leadership development plan, coaching and knowledge sharing.



Losses arising out of failed internal processes, people and systems. (Including regulatory and external events risks)

Managed through internal controls; continuous learning culture and existence of an outsourced internal audit function.

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- 1 Overview
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Performance highlights

Kes. m	HY 20131A	HY 2012 A		PE	QPE	RE&I
Activity						
Investments	(1,207)	(2,967)		(453)	(662)	(91)
Realization proceeds	1,275	2,750		6	1,269	-
Net investments	68	(217)		(447)	607	(91)
Return						
Gross Return	608	140		(156)	615	149
Total Return	348	(67)		(214)	563	(1)
Return on equity	3%	(1)%		(2)%	23%	(0)%
Cost efficiency	1%	1.9%				
Financial Position						
	30.09.12	31.03.12		PE	QPE	REI
Portfolio value	14,881	14,694		8,619	2,036	4,227
Net asset value	14,033	13,685		8,686	2,222	3,126

Group Statement of Comprehensive Income

Kes. m	2013H1	2012H1	Var
Dividend income	105	119	-12%
Interest income	73	18	306%
Other income	75	27	178%
Realized gains	303	563	-46%
Unrealized gains	194	-	100%
Income	749	728	3%
Portfolio costs	(125)	(156)	20%
Finance costs	(103)	(12)	-142%
Share of Ass Profit	316	299	6%
Profit before tax	837	828	1%
Tax	(31)	(35)	10%
Profit after tax	806	793	2%
Other comp income	142	(406)	135%
Total comp income	948	386	145%

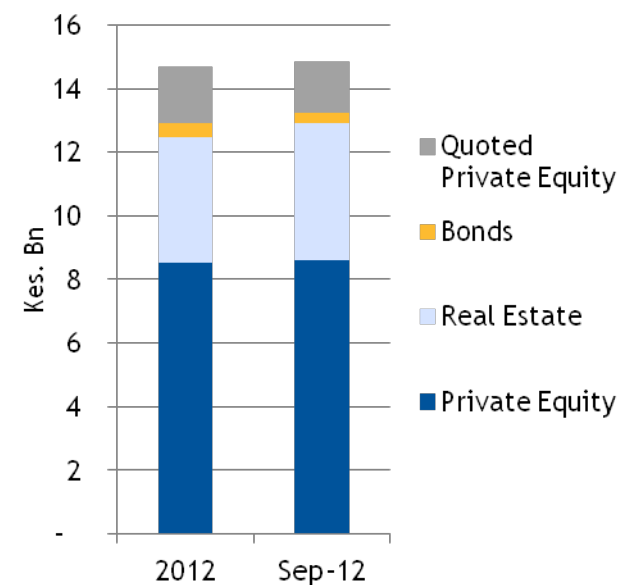
Refer to page 2 of our interim financial statements

Consolidated Statement of financial position

Total assets grew from Kes 15.7Bn to Kes 19.2 Bn

	Group			Company	
Kes. m	2012	2011		2012	2011
Assets:					
Portfolio value	11,818	11,181		14,881	14,694
Cash & cash equivalents	3,408	(108)		3,408	(108)
Other assets	214	494		886	1,135
	15,440	11,567		19,175	15,721
Equity & Liabilities:					
Borrowings	4,149	1,000		4,149	1,000
Other liabilities	302	526		993	1,036
Shareholder funds	10,989	10,041		14,033	13,685
	15,440	11,567		19,175	15,721

Portfolio value movement



Refer to page 4 of our interim financial statements

Consolidated Statement of cash flows

Healthy cash flows to meet our financing & investing needs

Kes. m	HY 20131A	HY 2012H1A
Operating inflows	1,362	3,825
Operating outflows	(242)	(200)
Internally generated funds	1,120	3,625
Cash flows from Investing activities	(1,178)	(2,969)
Cash flows from financing activities	3,148	(1)
Net increase in cash and cash equivalents	3,090	655
At start of period	322	(981)
Exchange (losses)/gains	(4)	218
At end of period	3,408	(108)

Refer to page 8 of our interim financial statements

Debt covenants

We have abided to our debt covenants

	Kes. m	Debt Covenants		Status
		Description	Ratio	
1	Debt Service coverage	Internally generated funds will always be at least 1.5 times greater than the finance costs	1.5 : 1	10.9 : 1
2	Net debt to Equity ratio	Net debt (total group debt less freely available cash) should always be less than half the fair valued shareholder funds	1 : 2	0.12 : 2

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- 1 Overview
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3.0 Business Line Reviews

- 1 Real Estate & Infrastructure
- 2 Private Equity
- 3 Quoted Private Equity

3.1 Real Estate & Infrastructure

- 1 Strategic Theme & Portfolio Overview
- 2 Two Rivers Project
- 3 Pearl Marina Project

Our Strategy in Real Estate Development

REAL ESTATE STRATEGY

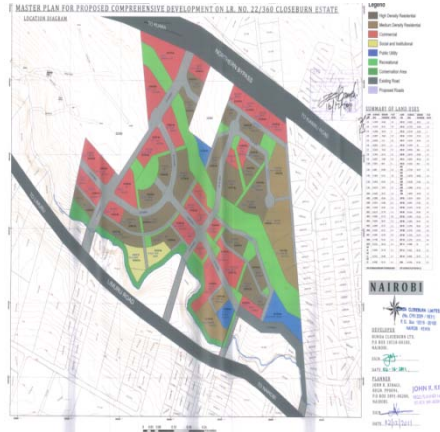
To convert bare land to high quality commercial urban environments through;

LAND IDENTIFICATION AND ACQUISITION

PREMIUM COMMERCIAL LAND

HIGH QUALITY COMMERCIAL DEVELOPMENT

INVESTMENT GRADE ASSETS (i.e. REITS)



Bare land

Approved masterplan

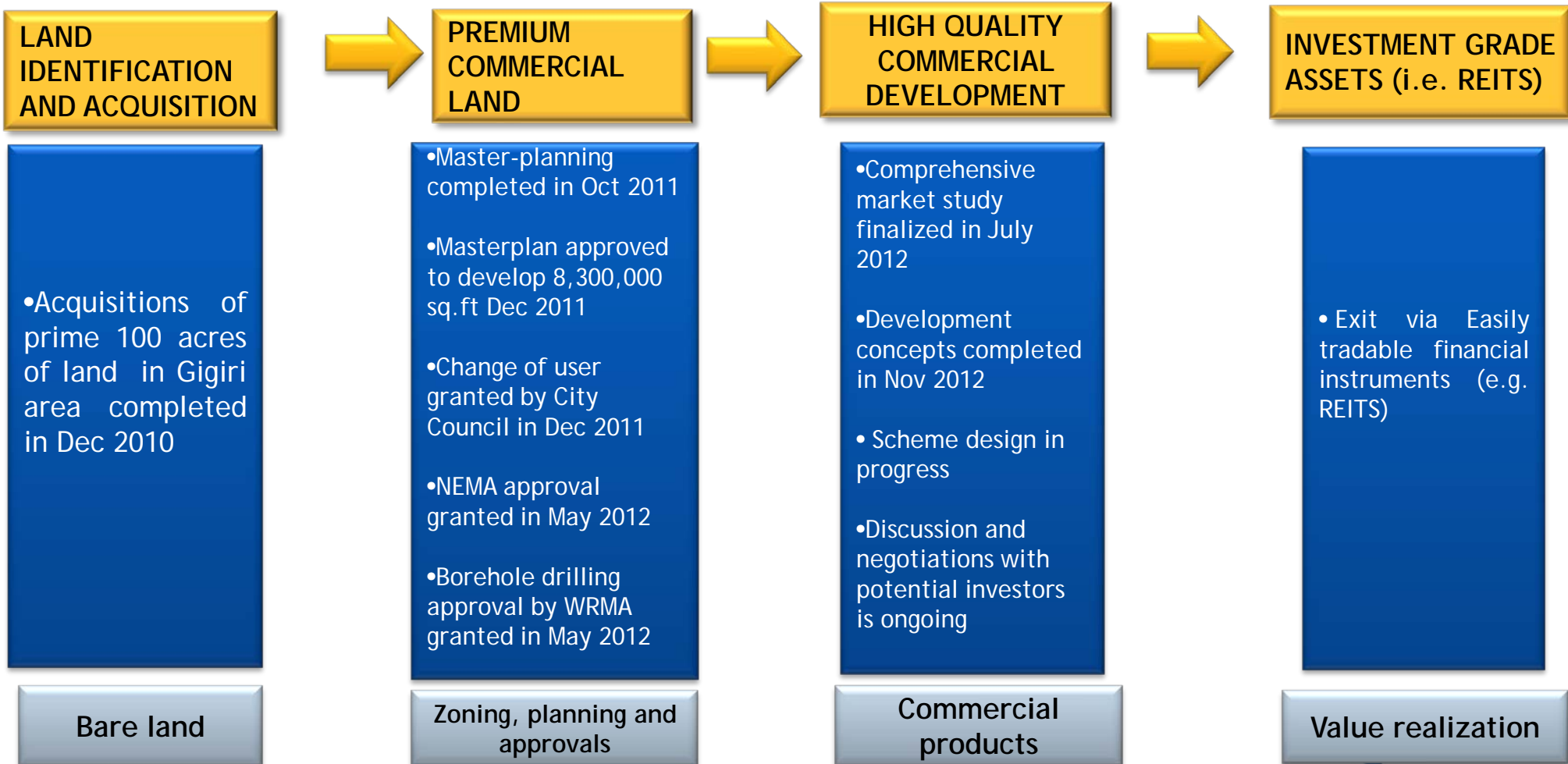
Commercial Developments

Returns

3.1 Real Estate & Infrastructure

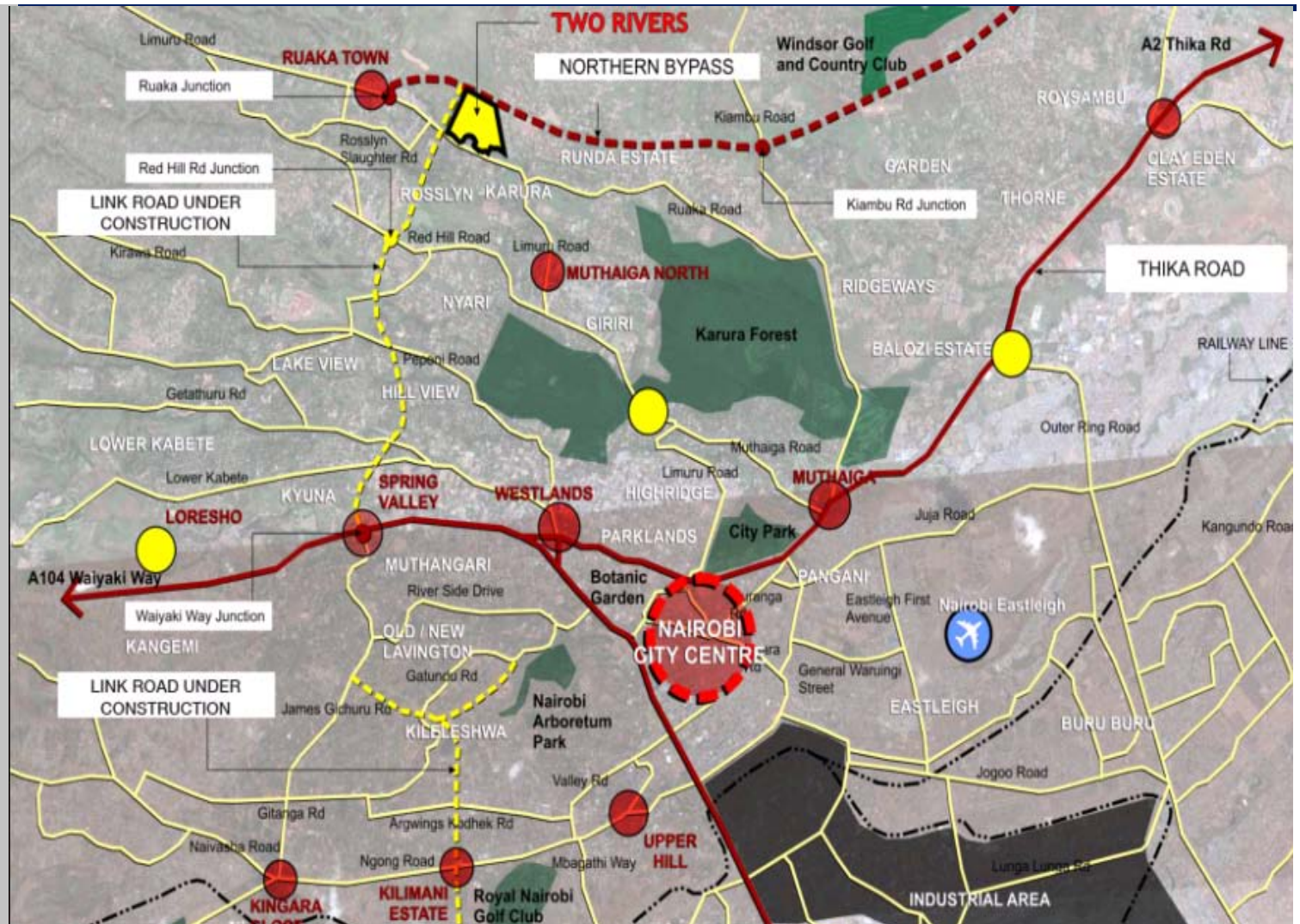
- 1 Strategic Theme & Portfolio Overview
- 2 Two Rivers Project
- 3 Pearl Marina Project

Our Track Record

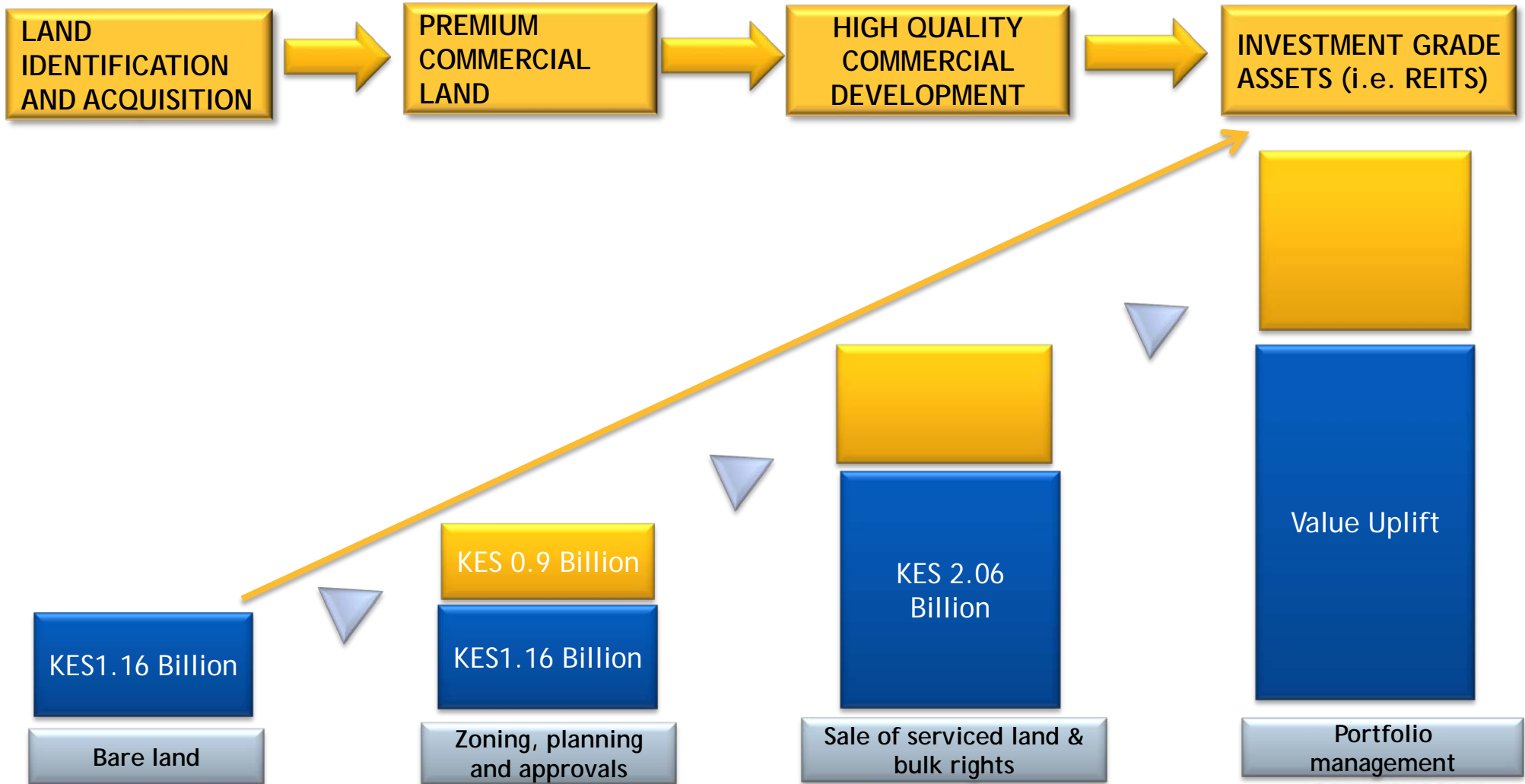


Two Rivers Development Site Location

- The land is 100 Acres
- Within diplomatic Blue Zone
- Within Nairobi Metropolitan Region (NMR)
- Key access roads
- High demand of commercial developments in the neighborhood

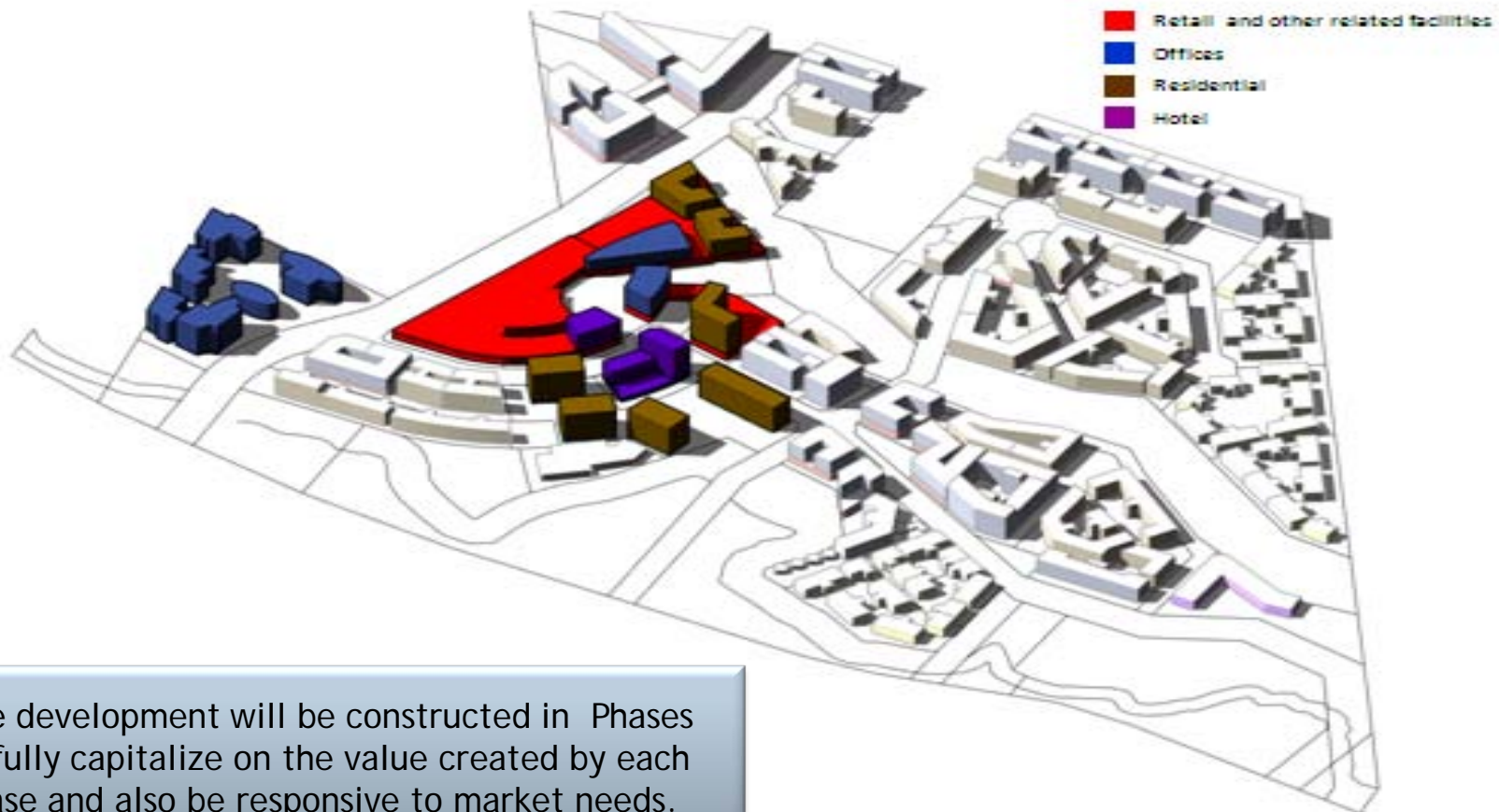


Value Creation



Two Rivers Phase 1

Phase 1 is approximately 18 acres and 173,000 Gross Floor Area



The development will be constructed in Phases to fully capitalize on the value created by each phase and also be responsive to market needs.

Two Rivers Phase 1 Components

Zones	Size/Units
Retail, Entertainment & Lifestyle	45,000 sq.m
Premium Office Space above retail	12,200 sq.m
Luxury Serviced Apartments	84 Units
Office park	20,000 sq.m
Long and short stay apartments	132 Units
5 Star Hotel	200+ Rooms
3 Star Hotel	160+ Rooms
Public Square, piazza and waterfront	3,037 sq.m plus 0.82 KM of river front

Two Rivers Phase 1 Concepts-Main Entrance

Main Entrance View



Two Rivers Phase 1 Concepts-Main Entrance

River Front View



Retail, Entertainment and Lifestyle Concept

Northern By Pass



Retail, Entertainment Lifestyle Concept

Showroom View



3D artistic view

Retail, Entertainment Lifestyle Concept

Mall and events square



3D artistic view

Two Rivers Entertainment & Lifestyle Concept

Multi Purpose Events Square



Wet park



Two Rivers Landscaping Concept

Kids Play Area

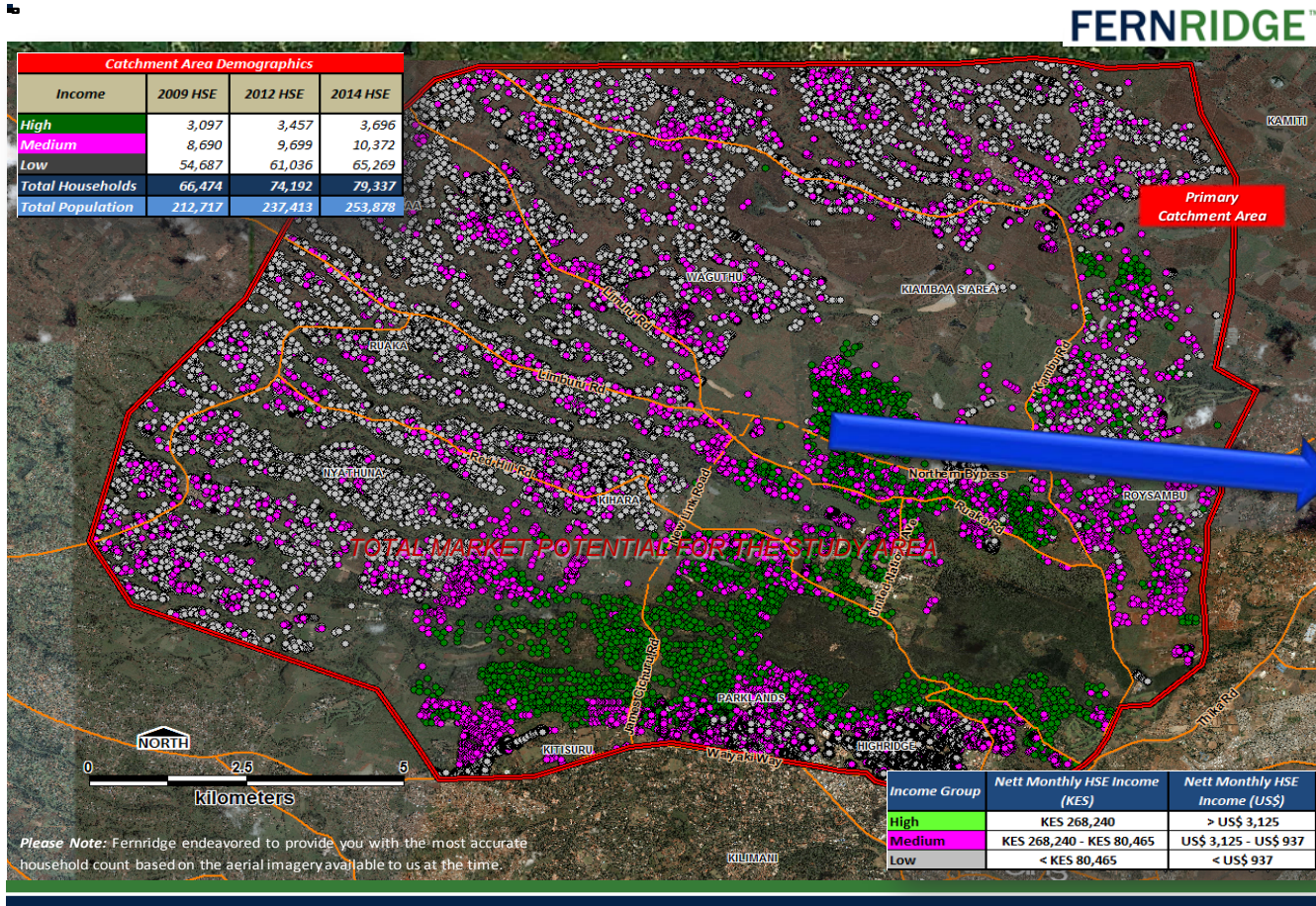


Public Environment



Retail, Entertainment and Lifestyle

Market Research



- 45,000 sq.m of the mall was informed by market studies by Fernridge (S.A) and Knight Frank (Ke).
- The primary catchment area has an annual spend of USD 420 million in a 10 kilometer radius.
- Total Market potential for the study area > 100,000

Two Rivers Office Park Concept

Office park



- 20,000 sq.m of grade A office space.

Market Demand

- International/rapidly expanding local companies looking for a premier office address.
- Professional services e.g. Lawyers
- UN support agencies & NGO'S

Two Rivers Office Park Concept

Office Park Concept



Two Rivers Serviced Apartments Concept



- 84 Units of unique address apartments

Market drivers

- Embassies and foreign missions located in the area
- UN staff



3D artistic view

Two Rivers Unique Address Apartments Concept



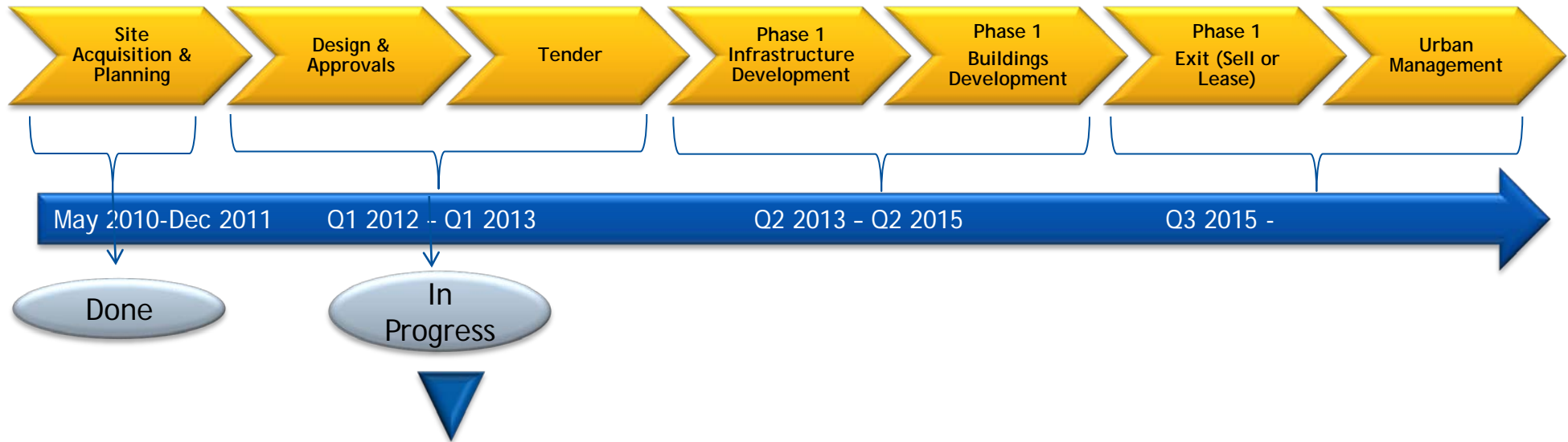
132 units of long and short stay apartments for sale

Market drivers

- Expatriates
- Diplomats
- Individual business travelers
-
- Returning residents
- Diaspora residents on vacation

Development Timelines and Outlook

Investor Participation



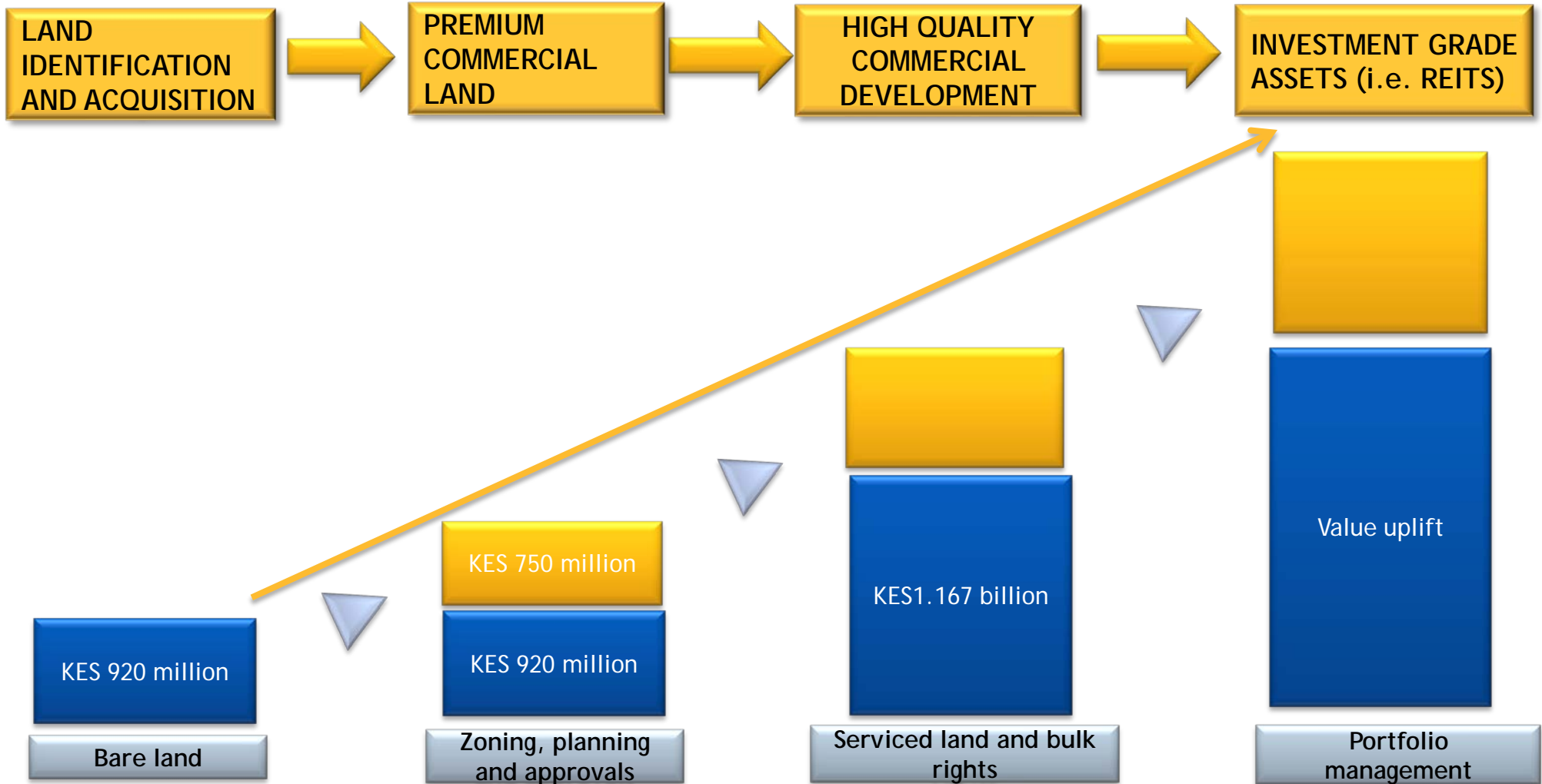
The Opportunity

- Two Rivers is engaging investors to partner in the development of different components (i.e. Retail Entertainment & Lifestyle, office, five star hotel and apartments) of phase one development

3.1 Real Estate & Infrastructure

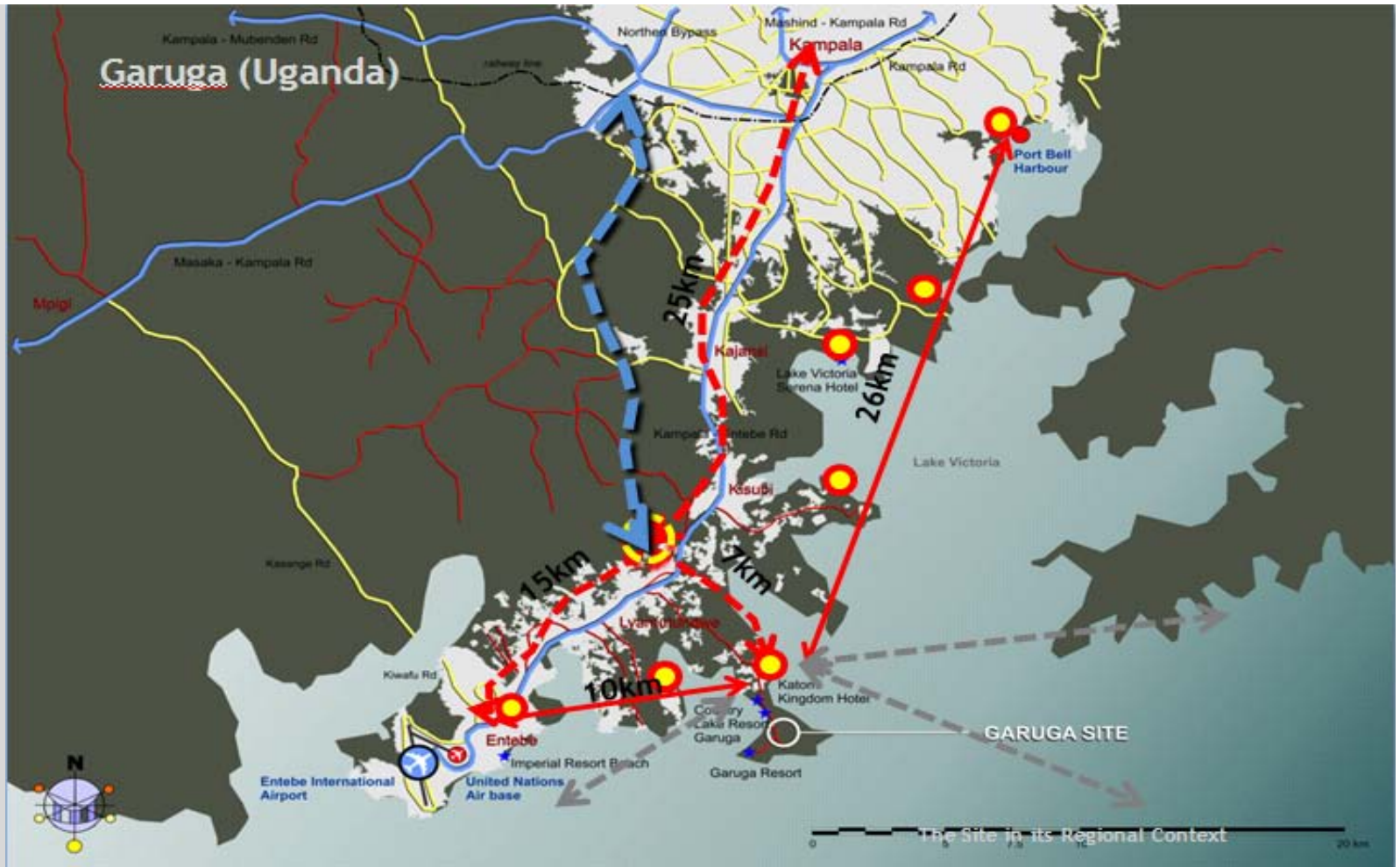
- 1 Strategic Theme & Portfolio Overview
- 2 Two Rivers Project
- 3 Pearl Marina Project

Value Creation in Pearl Marina Development

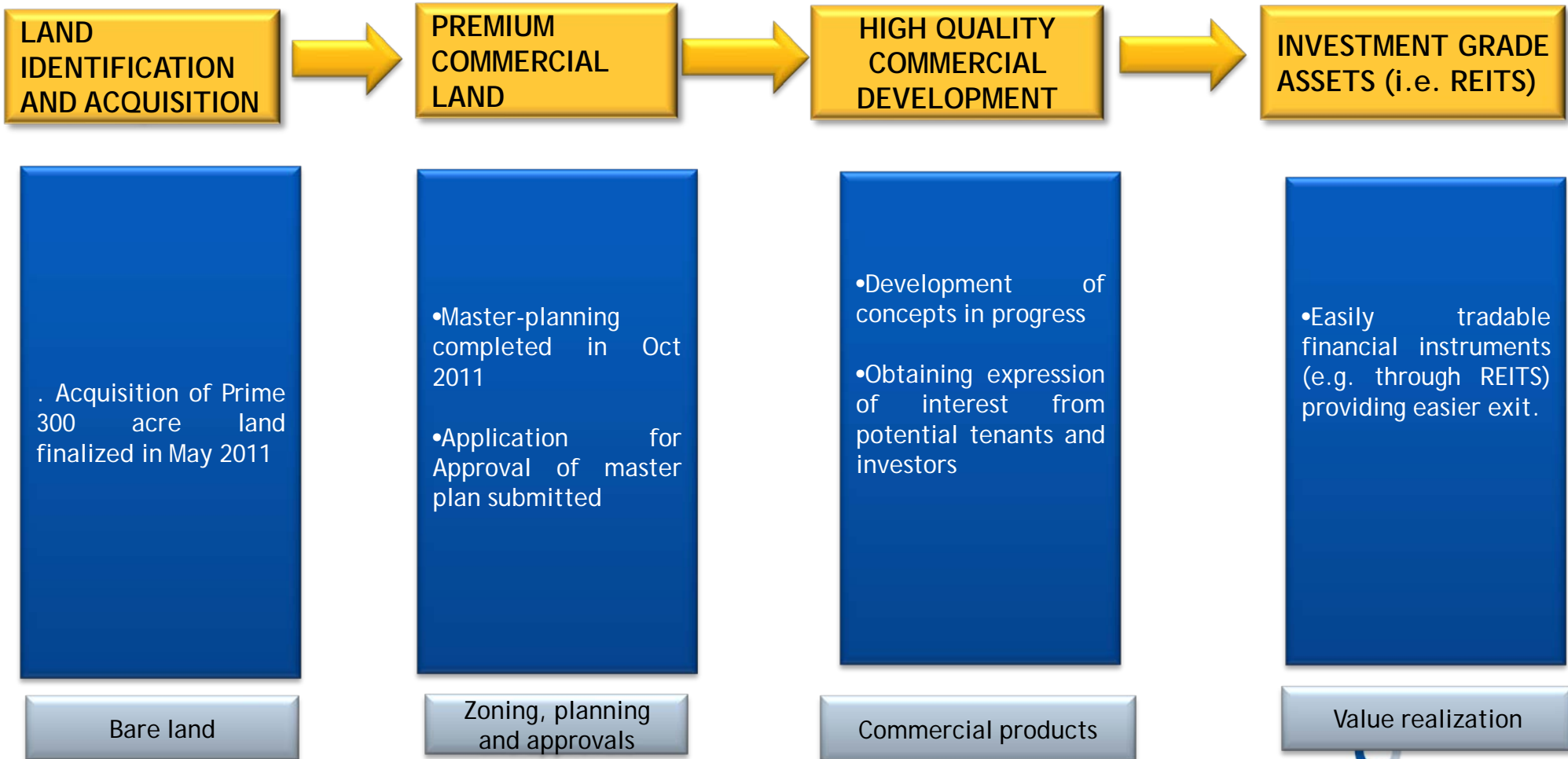


Unique Site Location

- Pearl Marina development will be on 300 acres of land
- Over 2km of lake frontage-ideal for waterfront development
- Within resort destination region
- Connected to major roads and close to airport
- Attractive site with variety of flora and fauna



Key Milestones in Pearl Marina Development



Pearl Marina Phase 1 Components

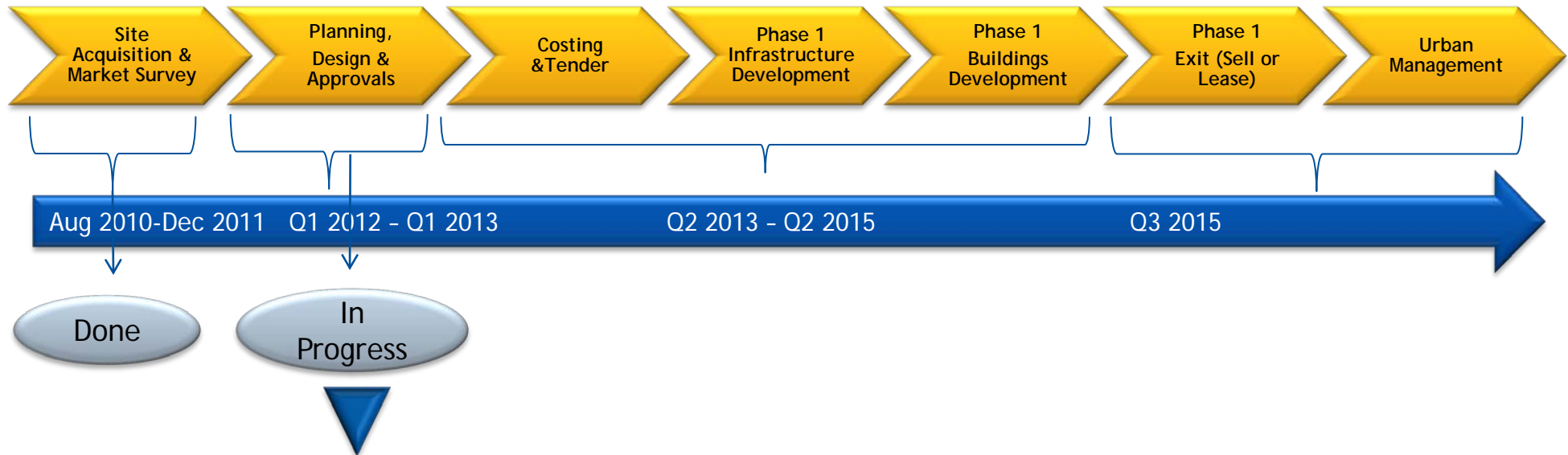
Zones	Size/Service
Luxury Apartments	100 Units
Hotel resort	20 Rooms
Shopping Arcade	Convenience shopping
Golf Course	9 hole European Standard
Public Marina	Ferry and boat services

Pearl Marina Project-Water front Precinct



Development Timelines and Outlook

Investor Participation



Investor Participation

We are seeking for investors to partner with us in each of the projects at the individual development components level and share in the value created

3.0 Business Line Reviews

- 1 Real Estate & Infrastructure
- 2 Private Equity
- 3 Quoted Private Equity

2009 - 2014 PE Strategic Objectives

1 ACTIVE VALUE CREATION



- Active portfolio management
 - Deal with underperforming assets
 - Develop and implement a value creation plan for each investee
 - Trigger liquidity events within existing portfolio

2 GROWTH



- Grow Assets Under Management from KES 3.6B to KES 15.0B
 - Develop an attractive pipeline of opportunities across the region
 - Leverage our track record and deal pipeline to raise Third Party Funds

3 DIVERSIFI- CATION



- Target a geographical diversification of 50% outside Kenya
 - Drive regional growth within existing investees
 - Deploy new capital in geographies outside Kenya

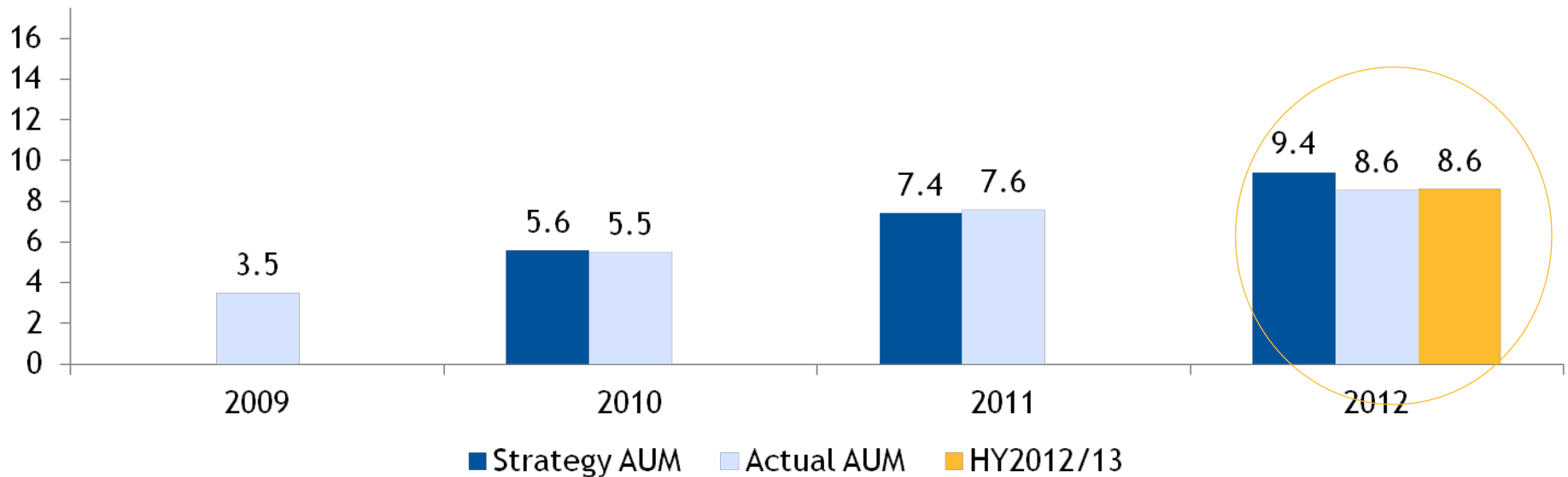
2009 - HY 2012/13 Growth

Growth has closely tracked strategy targets.

We expect significant growth in assets at the end of the year as we close deals in advanced stages.

Portfolio Growth Within Current Strategy Period FY 08 / 09 - HY 12/13

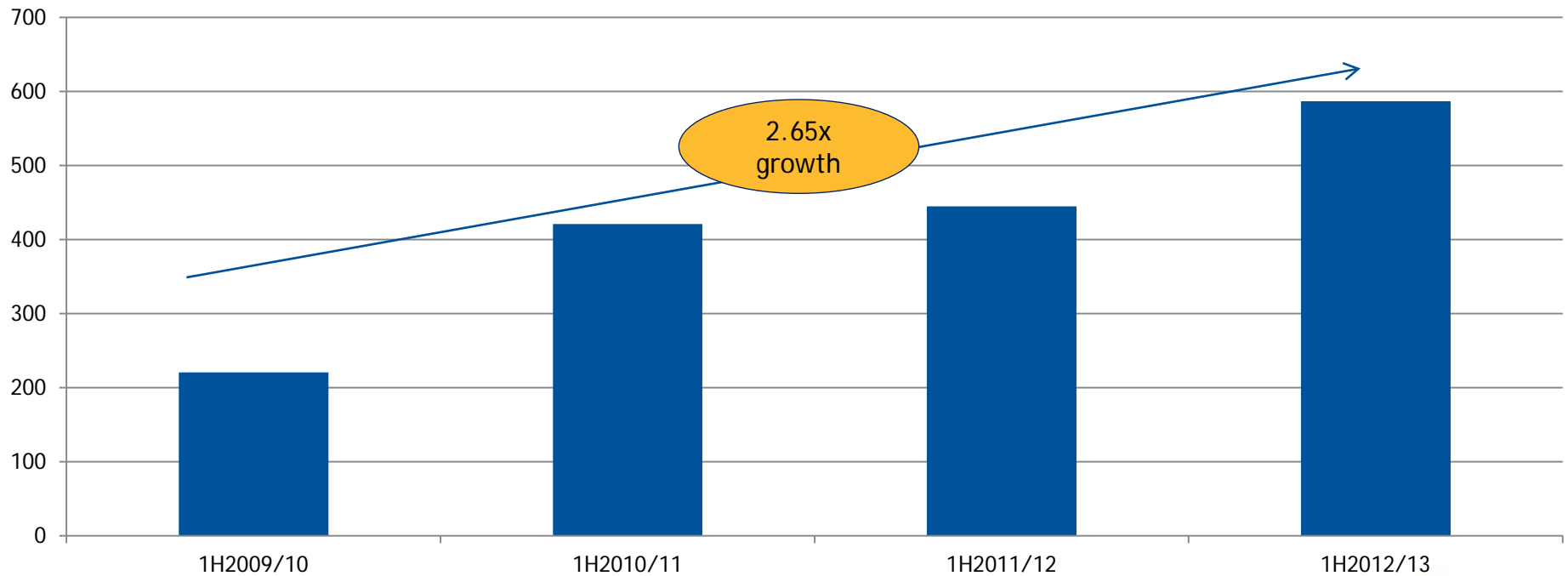
KES B



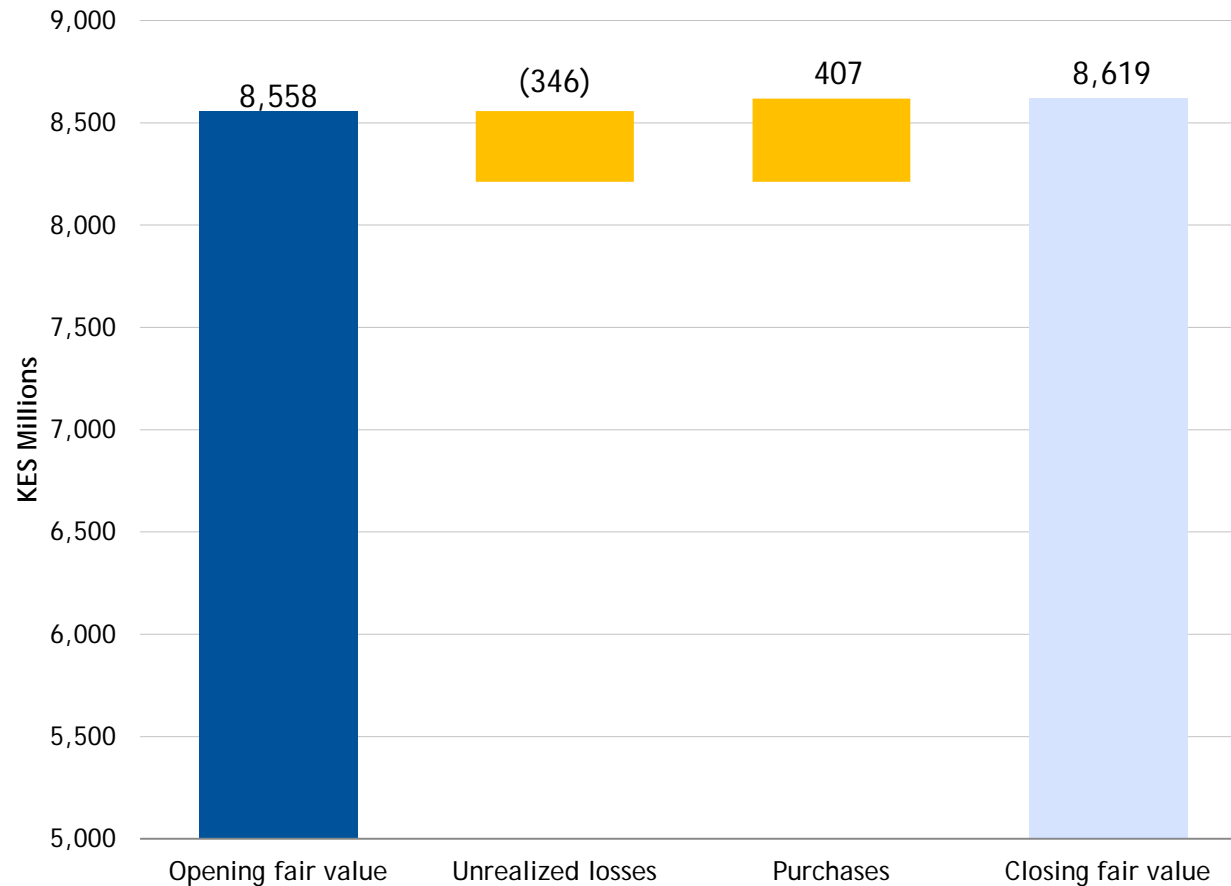
Investee Earnings Growth

65% earnings growth from HY 08/09 to HY 2012/13

KES B



Fair value movement

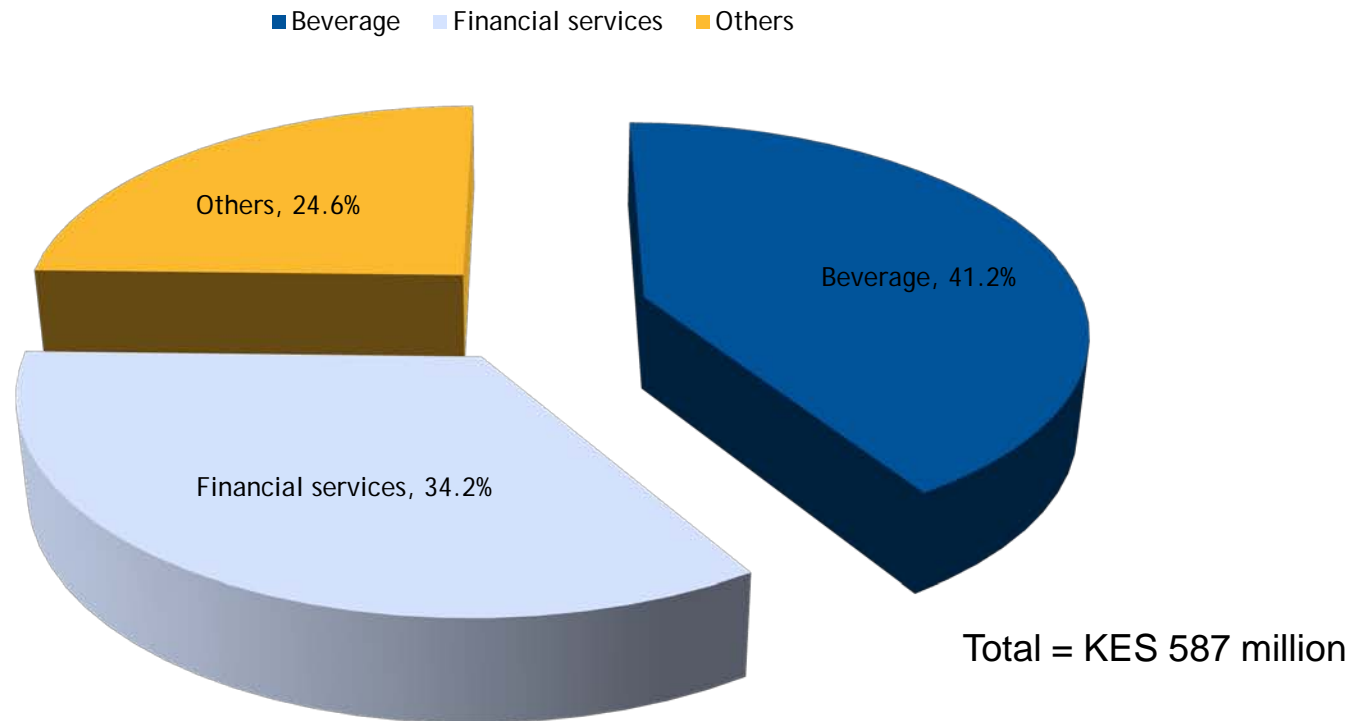


Increase in assets was driven by purchases of bottler shares.

Decline in performance due to decline in multiples

Private Equity earnings attribution

Portfolio companies continue to perform well due to improving fundamentals



Coca Cola Bottlers lawsuit against KRA

- Our Coca Cola Bottlers recently lost a High Court case against KRA .
- The case related to the levying of excise tax on returnable containers (bottles and crates).
- Our Bottlers believe that returnable containers should not be excisable because they are not sold; that is, they remain, always, the property of the Bottler.
- In addition, excising bottles will subject the Bottler to multiple taxation as each bottle is reused at least 18 times.
- We have procured a legal opinion that indicates that the Bottlers have a reasonable chance of success upon appeal.

Key portfolio activities

Bottler Consolidation

14 Dec 2011

- a. The 3 bottlers agree in principal to consolidate ownership.
- b. A joint transaction committee set up to spearhead Consolidation
- c. Transaction advisers appointed

Until August 2012

- a. Boards of the 3 bottlers pass resolution to merge the Bottlers
- b. In August 2012, shareholders of the Bottlers unanimously approve the merger of the Bottlers
- c. 31 August 2012, application for merger presented to the Competition Authority of Kenya. The process may take up to 120 days.

Current status

- a. The Board of Almasi has been constituted.
- b. We are putting together the management of Almasi Beverage Holdings.

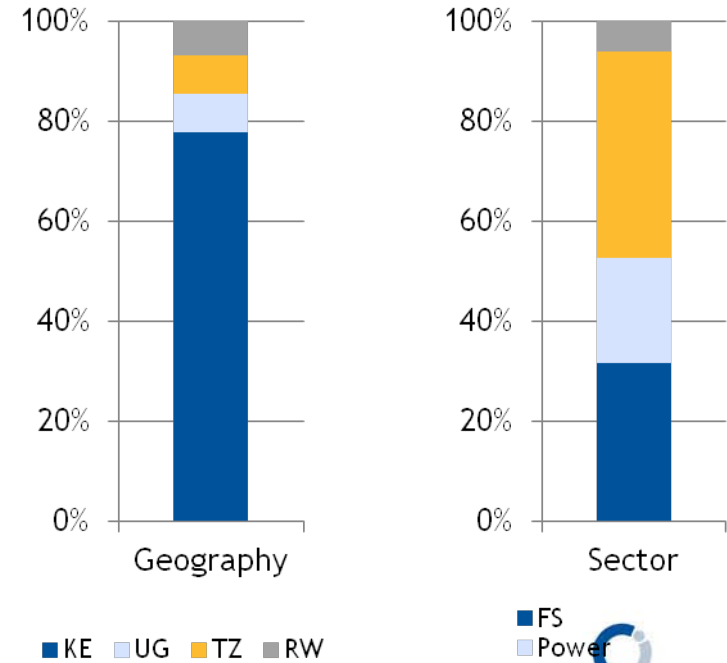
Attractive Deal Pipeline

Pipeline of circa. USD 60M in investment opportunities

Target Geographies



Opportunity Characterisation



Target Portfolio Characteristics

1 Geographical Diversification



- Diversify investment across the region
 - Maintain a maximum exposure of 40% to any target geography, which will also facilitate necessary currency diversification

2 Return Diversification



- Diversify target return contribution amongst:
 - Earnings Growth, Dividend Yield, Multiples Expansion, Debt Repayment

3 Cash Flow Diversification



- Diversify cash flow profile of investments:
 - Balance those that will be cash flow generative in the short term and can be positioned for earlier exits vis-a-vis positive cash flow generation in excess of 2 years post investment

4 Exit Diversification



- Diversify investment exit avenues
 - Balance between outright company sales and self liquidating instruments

5 Shareholding Diversification



- Diversify the balance of significant minority positions and controlling positions
 - Limit controlling positions to turnaround situations with low market risk and in sectors with readily available specialised local technical management talent

Centum PE Fund I

- Centum is in the process of raising a PE Fund to finance these investment opportunities.
- Centum will sponsor the Fund, by putting in up to 20% of the total investment.
- Centum will tap into the local market for the balance of the funding, particularly the pension funds.
- We are currently at advanced stages of putting together the necessary documents - both commercial and legal and will be inviting investors to conduct due diligence and invest.
- This Fund is consistent with Centum's mission of creating real, tangible wealth by providing the channel through which investors access and build extraordinary enterprises in Africa.

Business Outlook

1
ACTIVE VALUE
CREATION



- Currently implementing a variety of value enhancement strategies across the portfolio

2
GROWTH



- Deploy at least USD 60M in new capital across the region
- Raise 3rd party funds

3
DIVERSIFI-
CATION



- Continue to pursue aggressive regional expansion strategies within our current portfolio





3.0 Business Line Reviews

- 1 Real Estate & Infrastructure
- 2 Private Equity
- 3 Quoted Private Equity

Business Model

- In the Quoted Private Equity (QPE) business line, we leverage on our private equity expertise to identify, invest and create value in quoted companies that exhibit private-equity-like traits:
 - Illiquid
 - Under-researched
 - Significant growth potential (Value creation potential)
 - Available large stake
- Target deal size USD2-20 million
- Our second mandate is to provide liquidity to the overall portfolio, which largely constitutes of illiquid alternative assets. In the process of searching for typical "QPE" deals, we come across highly liquid marketable securities with attractive valuations, which we invest in to enhance liquidity of the overall portfolio.
- Our chosen scope is Sub-Saharan Africa (SSA)

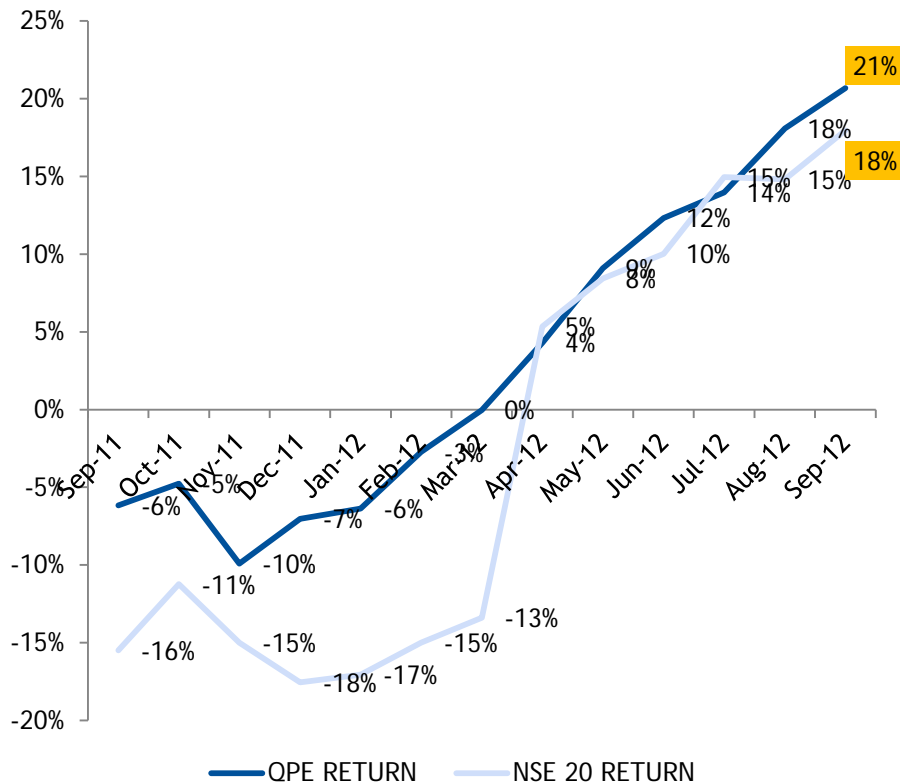
Strategic Objectives

- 1 PERFORMANCE**  To consistently outperform the NSE-20 Share Index
- 2 DIVERSIFICATION**  To diversify outside Kenya by at least 50% of total QPE portfolio by 2014
- 3 GROWTH**  To increase AUM from Kes 2Bn in 2009 to Kes6.5Bn by 2014
- 4 LIQUIDITY**  To provide liquidity to the other business lines

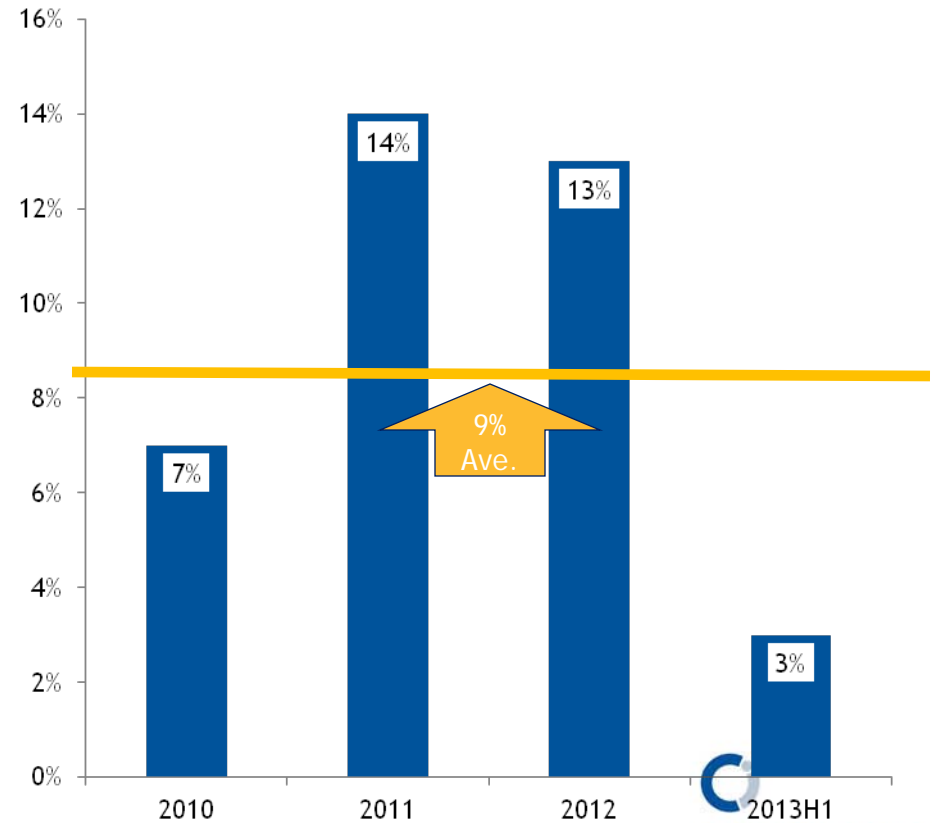
Performance

Consistently outperformed the market

Alpha: month-by-month



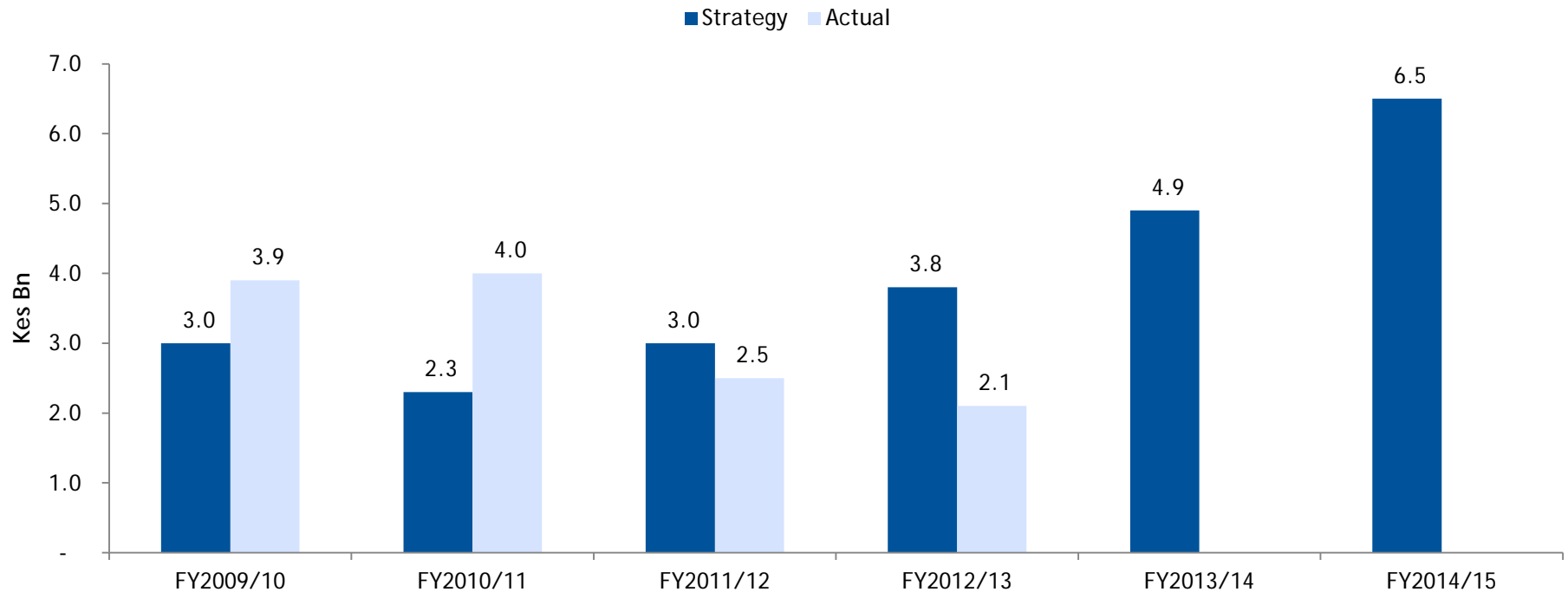
Alpha: since strategy period began



Growth

Suffered temporal setback from providing liquidity to other business lines

Confident to achieve 2013 strategy targets through organic growth and 3rd party funds



*Paid down OD borrowing to the tune of Kes1Bn

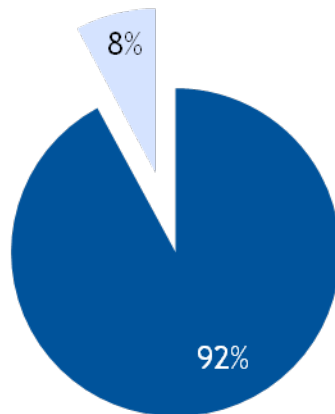
Diversification

Accelerated our geographical diversification...

....by taking advantage of attractive valuations and improving macro fundamentals across SSA

Actual FY2011/12

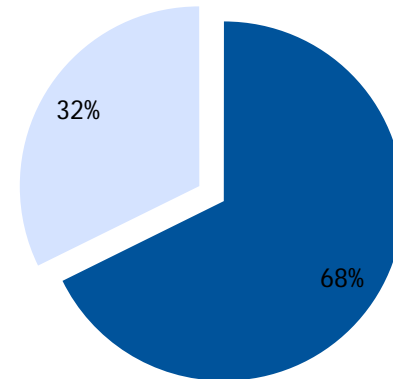
■ Kenya ■ SSA (excluding Kenya)



Total Portfolio Kes2.2Bn

Actual FY2012/13

■ Kenya ■ SSA (excluding Kenya)

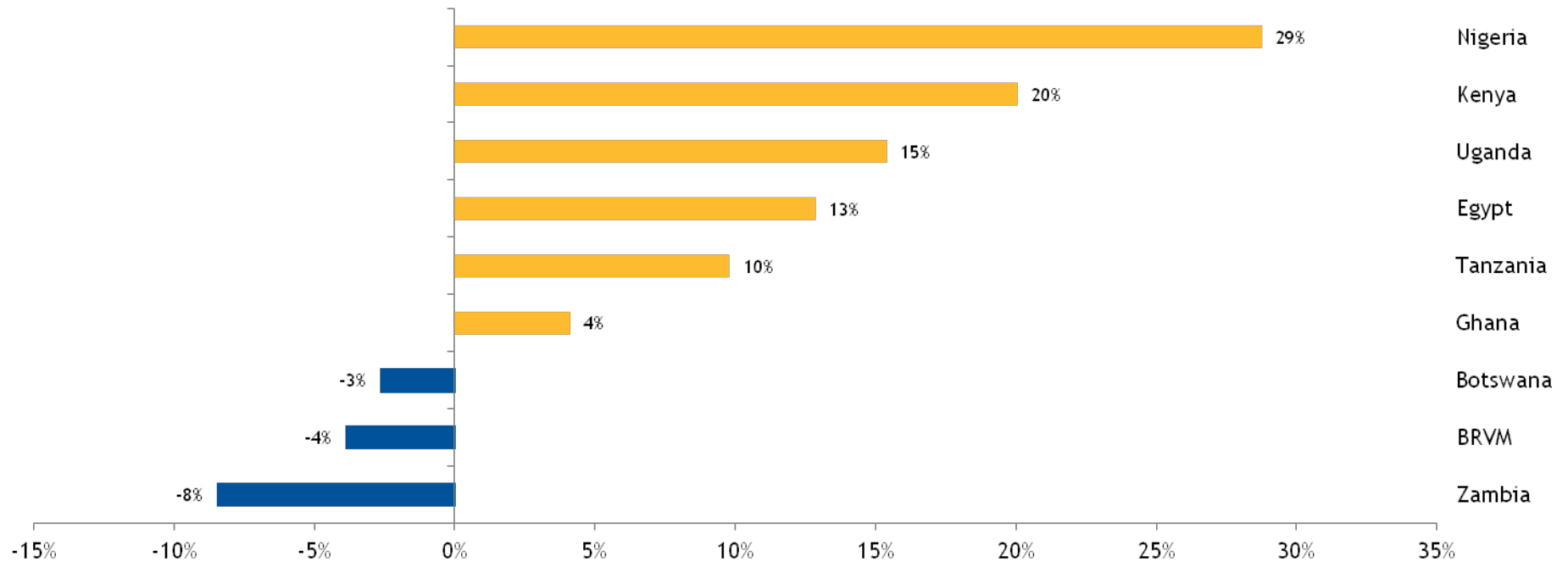


Total Portfolio Kes 1.9 Bn

Diversification

Virtually all target markets returned positive performance...

...contributed by loosening monetary policies and reduction of political risk in SSA



Returns computed in dollar terms

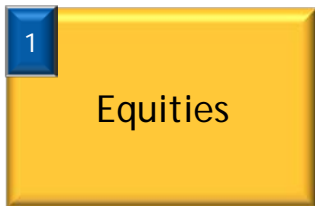
Outlook

- 1** Performance
 - More upside potential especially from investments outside Kenya
- 2** Diversification
 - Optimistic to achieve 50% diversification outside Kenya ahead of strategy
- 3** Growth
 - Third party funds to boost our AUM size besides organic growth
- 4** Liquidity
 - Recent Kes3.2Bn debt capitalization to ease liquidity demands on OPE

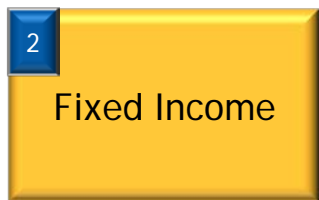
Outlook

Lower inflation augurs well for equities...

....subject to a peaceful general election in March 2013



- Domestic: Reduced inflationary pressures and access to cheaper credit expected to boost corporate earnings growth



- Further fall in domestic yields is expected albeit limited
- Relatively higher yields in the rest of SSA offer compelling opportunities

Q & A

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