

UNILEVER GHANA LIMITED

COMMENTARY ON UNAUDITED FINANCIAL RESULTS FOR QUARTER ONE ENDED 31 MARCH, 2015

Financial Highlights

(All amounts are expressed in thousands of Cedis)

	2015	2014
Revenue	121,492	84,543
Operating profit/(loss)	18,081	(3,386)
Profit/(loss) before tax	17,212	(4,090)
Profit/(loss) after tax	12,660	(4,343)
Operating profit margin	14.9%	(4%)
Earnings per share (Annualised) GH¢	0.8103	(0.2780)

FINANCIAL PERFORMANCE

Revenue for the business in the first quarter grew by 43.7%, from GH¢84.5million to GH¢121.5million. The growth achieved despite the difficult operating environment and competitive pressure, was due to a focus on distribution and operational excellence.

Operating profit in the quarter was GH¢18.1million as against a loss of GH¢3.4million in 2014. This was inspite of depreciation of the cedi, high inflation, rising utility cost and the energy crisis. The Company recorded Profit after tax of GH¢12.7million as compared to a loss of GH¢4.3million in 2014. The improved profitability was due to the strategies employed by management.

2015 OUTLOOK

While the operating environment continuous to be challenging, we believe that based on our strong performance in quarter one, we will deliver a double digit growth in top line and overall good results.

Unilever Ghana Limited

Statement of comprehensive income for the first quarter ended 31 March 2015

(All amounts are expressed in thousands of Ghana cedis)

	2015	2014
Revenue	121,492	84,543
Cost of sales	(82,714)	(68,198)
Gross profit	38,778	16,345
Distribution expenses	(2,776)	(2,191)
Brand & Marketing Investment	(5,698)	(7,235)
Administrative expenses	(12,262)	(10,621)
Other income	39	316
Operating profit	18,081	(3,386)
Finance income	31	2
Finance costs	(900)	(706)
Profit before taxation	17,212	(4,090)
Taxation	(4,552)	(253)
Profit/ (loss) after tax for the quarter	12,660	(4,343)
Earnings per share for profit attributable to the equity holders of the company		
Basic Earnings per share	0.8103	(0.2780)

Unaudited Statement of financial position as at 31 March, 2015

(All amounts are expressed in thousands of Ghana cedis)

	2015	2014
Non-current assets		
Property, plant and equipment	64,381	55,113
Intangible assets	5,602	8,015
Investment in subsidiaries	10	10
Employee Benefits	7,621	7,639
Total non-current assets	77,614	70,777
Current assets		
Inventories	47,816	58,256
Trade and other receivables	22,544	26,705
Related party receivables	61,855	37,215
Income tax	-	1,099
Cash and bank	36,923	20,774
Total current assets	169,138	144,049
Total assets	246,752	214,826
Current liabilities		
Trade and other payables	48,202	54,633
Related party payables	132,559	102,424
Provisions	2,328	1,778
Dividend payable	3,062	3,103
Bank overdrafts	6,043	16,206
Income tax	3,547	-
Total current liabilities	195,741	178,144
Non-current liabilities		
Employee Benefits obligation	2,358	2,274
Deferred tax	4,400	6,122
Total non-current liabilities	6,758	8,396
Total liabilities	202,499	186,540
Equity		
Stated capital	1,200	1,200
Capital surplus account	204	204
Retained earnings	42,768	26,801
Share deals account	81	81
Total equity	44,253	28,286
Total equity and total liabilities	246,752	214,826

The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge.


 Managing Director
 (Maidie E. Arkutu)


 Finance Director
 (Marquez A. Miguel)

Unaudited Statement of cash flows for the first quarter ended 31 March, 2015

(All amounts are expressed in thousands of Ghana cedis)

	2015	2014
Cash flows from operating activities		
Cash generated from operations	36,803	14,278
Interest received	31	2
Interest paid	(900)	(683)
Tax paid	(858)	(218)
Net cash generated from operating activities	35,076	13,379
Cash flows from investing activities		
Purchases of property, plant and equipment	(2,549)	(1,112)
Purchases of Intangible assets	-	(2)
Net cash used in investing activities	(2,549)	(1,114)
Cash flows from financing activities		
Dividend paid	(6)	(28)
Net cash used in financing activities	(6)	(28)
 Increase in cash and cash equivalents	 32,521	 12,237
Cash and cash equivalents at beginning of the year	(1,641)	(7,669)
Cash and cash equivalents at the end of 31 March, 2015	30,880	4,568

Statement of changes in equity for the first quarter ended 31 March 2015

(All amounts are expressed in thousands of Ghana cedis)

Quarter ended 31 March 2015	Stated capital	Capital surplus account	Retained earnings	Share deals account	Total equity
Balance at 1 January 2015	1,200	204	30,108	81	31,593
Comprehensive income					
Profit for the quarter	-	-	12,660	-	12,660
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Balance at 31 March 2015	1,200	204	42,768	81	44,253
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Quarter ended 31 March 2014					
Balance at 1 January 2014	1,200	204	31,144	81	31,768
Comprehensive income					
Loss for the quarter	-	-	(4,343)	-	(4,343)
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Balance at 31 March 2014	1,200	204	26,801	81	28,286
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