

## SWISSPORT TANZANIA PLC UN-AUDITED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2018

### Commentary

The Board of Directors of Swissport Tanzania Plc is pleased to present the unaudited financial results for the six months ended 30th June 2018. During this period revenue decreased from TZS 26,109M to TZS 25,088M, total operating costs increased from TZS 16,615M to TZS 17,633M. Consequently, net profit of the Company dropped to TZS 4,947M. The decrease in revenue was mainly attributable to the change in the mix of aircraft type handled and declining yield. However, the impact was partially offset by an increase in cargo handling revenue. The operating costs were negatively impacted by an increase in personnel costs and depreciation charges of the new ground handling equipment acquired during the second half of 2017.

### Dividend to shareholders

The Board has decided not to declare interim dividend to enable the business to meet its maturing obligations and continue rolling out its investment plans.

### Future outlook

Future prospects of the performance of our airline customers indicate no significant change of their operating plans to the year-end while cargo volumes are expected to remain constant. It is therefore envisaged that the financial performance for the second half of the year to remain stable. Furthermore, we shall continue investing in people, ground support equipment, warehouse facilities, technology and focus on safety and health to improve working conditions to further enhance the quality of service delivery.

**Mark Skinner**  
Board Chairman

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME For Six Months Ended 30 June 2018	2018 TZS'M	2017 TZS'M	Change %
Revenue	25,029	26,085	-4%
Other operating income	59	24	146%
<b>Total revenue</b>	<b>25,088</b>	<b>26,109</b>	<b>-4%</b>
Total operating expenses	17,633	16,615	6%
<b>Operating profit</b>	<b>7,455</b>	<b>9,494</b>	<b>-21%</b>
Finance costs	657	566	16%
<b>Profit before income tax</b>	<b>6,798</b>	<b>8,928</b>	<b>-24%</b>
Income tax expense	1,851	2,657	-30%
<b>Profit for the period</b>	<b>4,947</b>	<b>6,271</b>	<b>-21%</b>
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>4,947</b>	<b>6,271</b>	<b>-21%</b>
<b>Earnings per share</b>	<b>137</b>	<b>174</b>	<b>-21%</b>
<b>Dividend per share</b>	<b>-</b>	<b>-</b>	<b>-</b>

STATEMENT OF FINANCIAL POSITION As At	30 Jun 18 TZS M	31 Dec 17 TZS M	Change %
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible asset	20,529	21,615	-5%
Property and equipment	12,896	13,206	-2%
Deferred tax assets	289	289	0%
Staff receivables	110	115	-4%
	<b>33,824</b>	<b>35,225</b>	<b>-4%</b>
<b>Current assets</b>			
Inventories	334	384	-13%
Trade and other receivables	8,641	7,336	18%
Income tax recoverable	861	861	0%
Cash and cash equivalents	5,572	4,704	18%
	<b>15,408</b>	<b>13,285</b>	<b>16%</b>
<b>Total assets</b>	<b>49,232</b>	<b>48,510</b>	<b>1%</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	360	360	0%
Retained earnings	30,479	31,499	-3%
<b>Total equity</b>	<b>30,839</b>	<b>31,859</b>	<b>-3%</b>
<b>Non-current liabilities</b>			
Retirement benefit obligations	3,360	3,601	-7%
Bank Loan (Non-current portion)	701	2,154	-67%
	<b>4,061</b>	<b>5,755</b>	<b>-29%</b>
<b>Current liabilities</b>			
Trade and other payables	6,263	4,641	35%
Bank Loan (Current Portion)	2,102	2,444	-14%
Income tax payable	-	-	-
	<b>14,332</b>	<b>10,896</b>	<b>32%</b>
<b>Total equity and liabilities</b>	<b>49,232</b>	<b>48,510</b>	<b>1%</b>

STATEMENT OF CASH FLOWS For Six Months Ended 30 June 2018	2018 TZS'M	2017 TZS'M
Profit before income tax	6,798	8,928
<b>Adjustment for:</b>		
Depreciation of property and equipment	1,223	862
Amortization of intangible assets	1,205	1,205
Provision for retirement benefit obligations	350	303
Interest expense	157	124
<b>Working capital adjustment</b>		
Increase in inventories	(45)	(25)
Decrease in trade and other receivables	2,979	1,548
Decrease in trade and other payables	(2,474)	(5,816)
Retirement benefit obligations paid	(598)	-
Income tax paid	(1,504)	(3,148)
Interest paid	(157)	(124)
<b>Cash generated from operating activities</b>	<b>7,934</b>	<b>3,857</b>
<b>Investing activities</b>		
Purchase of property and equipment	(1,460)	(3,535)
<b>Cash used in investing activities</b>	<b>(1,460)</b>	<b>(3,535)</b>
<b>Financing activities</b>		
Dividends paid to Company's shareholders	(3,811)	(6,426)
Proceed from Bank Loan	-	6,023
Bank Loan repayment	(1,795)	-
<b>Cash used in financing activities</b>	<b>(5,606)</b>	<b>(403)</b>
Net increase/(decrease) in cash and cash equivalents	868	(81)
Cash and cash equivalents at 1 January	4,704	5,936
<b>Cash and cash equivalents at 30 June</b>	<b>5,572</b>	<b>5,855</b>



**From landing to take-off: we care !**

**Mark Skinner**  
Board Chairman

**Mrisho Yassin**  
Chief Executive Officer

**Robin Kimambo**  
Chief Financial Officer