

The Investor

The Monthly Newsletter of CDH Capital Ltd



Dividend Time?

Time to enjoy some dividends from our locally listed companies.

Bank of Kigali, the only local bank listed on the Rwanda Stock Exchange (RSE), has declared a dividend of Rwf 8.83 for the year 2012 in accordance with the dividend payout policy of

50% of its distributable income.

The overall dividend payout in respect of 2012 is Rwf 5.9 billion (US\$ 8.8 million) at the

Continued on

2

March 2013 Summary

BK and Bralirwa share prices stabilized at Rwf 190-200 and 810-815 respectively.

Page 3

Share Performance of the Listed Companies.

Page 4 -10

Legal Disclaimer

The information/quotes/quotes in this newsletter originate from domestic ...

Page 13

current exchange rate. This translates into an annual dividend of approximately Rwf 8.83 per share, or an approximately 4.5% dividend yield based on the current share price of Rwf 195.

Note that in 2012 the Bank paid a dividend per share of Rwf 6.5, resulting in the dividend yield of 5.2% based on the current share price of Rwf 125 per share.

The dividend will be paid on or about Friday, 28th June 2013. The shareholders register will close on Friday, 14th June 2013.

Bank of Kigali will conduct its Annual General Meeting on the 8th of May 2013 at 14.30 at the Serena hotel Kigali. Shareholders interested to attend should register first and bring along with them their statement of shareholding, which they can obtain from their respective brokers. They should also bring with them either their ID card or their passport for identification purposes.

BK shares stabilized in the Rwf 190-200 zone. Trading volumes averaged 1,571,800 in the month of March 2013

(since start of the year, trading volume, including March, totaled 23,214,400).

The other locally listed company, Bralirwa, has not yet published its 2012 audited financial statements.

Bralirwa paid a dividend of Rwf 24.2 per share in 2012 on a net profit of Rwf 14.658 billion in the year ended 2011. This represented a dividend yield of some 7.44 %.

The company reported a net profit of Rwf 7.937 billion in the first half of 2012, representing an increase of 43.3 % compared with the same period of last year. Bralirwa shares were trading at Rwf 815 at 24th April 2013, a Rwf 185 increased compared with its opening price of Rwf 630. The price stagnated at Rwf 805-810 for more than two months. Expectations of dividends are holding the price at this level. Also, we have noted that the share is becoming more and more expensive for small investors to afford. A share spit will definitely boost the share performance.

Trading volumes averaged 10,066,700 in the month of

March 2013 (since start of the year, trading volume, including March, totaled 12,504,700).

Note that all these figures are for reference purposes only and should not be used for investment decisions. CDH does not give any investment advice through its Monthly Newsletter. If you need more information for your investment decision, please contact us.

March 2013 Capital Market Summary

KCB Pays Dividend

The directors of KCB have resolved to recommend at its forthcoming 42nd Annual General Meeting on a 1st and final dividend for the year 2012 of KES 1.90 per share to be paid on or about Friday 14th June 2013 to shareholders registered at the close of business on Monday 13th May 2013. The Register of members will be closed for one day on Tuesday 14th May 2013, for the purpose of processing the dividend.

BK Shares Remains Stable at Rwf 190-200

BK shares remain stable despite the Bank announces its final dividend payment. No rally to buy the shares occurred. At the end of the month, offers still exceeded demand. However, it is too early to expect any rally as investors normally wait for the last week / days to buy the shares to benefit from the dividend.

Note that in its website, Bank of Kigali has adopted a dividend payout policy; the dividend payout ratio shall equal 50% of the Bank's audited IFRS-based Net Income in respect of 2011, 2012 and 2013.



March 2013 Transactions on the Regional Markets

The Nairobi All Share index has advanced 13 percent this year, the third-best performance in sub-Saharan Africa after Nigeria and Ghana for dollar investors. The gauge trades at 11.9 times profit, compared with 11.7 times for the MSCI Frontier Markets Index (NSEASI), which is up 7 percent. The shilling appreciated 1.8 percent against the dollar last week, its strongest week in more than 14 months and the best-performing African currency.

The presidential election was the first since more than 1,100 people were killed in clashes after the last ballot, which caused economic growth to slump by two-thirds in 2008, the shilling to fall 8.5 percent and the benchmark stock index to drop 11 percent. East Africa's biggest economy may grow as much as 6 percent this year from about 5 percent in 2012, according to the International Monetary Fund.

Stock Rally

The All Share index advanced 38 percent last year, the top performer in sub-Saharan Africa after Nigeria. Gains on the Kenyan bourse this year have been led by Access Kenya Ltd. (ACCESS), the country's only publicly traded Internet Company, which has surged 48 percent. Other leading stocks include Kenya Electricity Generating Co. (KEGEC), ARM Cement Ltd. (ARML), Kenya Commercial Bank Ltd. (KNCB) and Housing Finance Ltd. (HFCL). Foreign investment represented 49 percent of all trading in Kenyan equities in 2012, up from 10 percent in 2007, according to data from the Nairobi Securities Exchange.

Bralirwa Share Performance

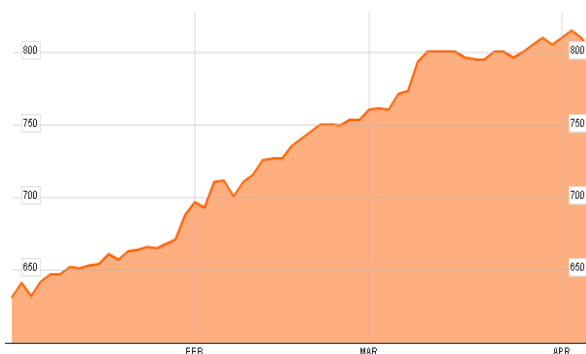
Bralirwa share price recorded medium performance in March 2013. The share opened at Rwf 760 and closed at Rwf 805, with a total volume of 10,066,700 traded, mostly by international investors. The share price increased by Rwf 45, or an increase of 6 %. Details are:

Open month of March: Rwf 760

Close month of March: Rwf 805

Month volume: 10,066,700

52-week range: Rwf 350 - Rwf 810.



Share Price Movement for recent Three Months

Company Information

Bralirwa LTD brews beer. The Company brews and bottles brands of beer owned by its corporate parent.

Chairman / Managing Director

Jean Paul Van Hollenbeke

Vice Chairman / Managing Director

Jonathan Hall

Secretary

Eugene Twahirwa

Website

www.bralirwa.com

Key Statistics for BRL

Current P/E Ratio (ttm)	28.4199
Estimated P/E (12/2013)	22.6903
Relative P/E vs.	-
Earnings Per Share (RWF) (ttm)	28.5011
Est. EPS (RWF) (12/2013)	35.6980
Est. PEG Ratio	-
Market Cap (M RWF)	416,570.84
Shares Outstanding (M)	514.29
30 Day Average Volume	344,053
Price/Book (mrq)	21.1695
Price/Sale (ttm)	6.4129
Dividend Indicated Gross Yield	2.09 %
Cash Dividend (RWF)	16.0550
Last Dividend	06/08/2012
5 Year Dividend Growth	-
Next Earnings Announcement	05/17/2013

BK Share Performance

Bank of Kigali share price recorded medium performance in March 2013. The total volume traded was 1,571,800. The opening and closing price was Rwf 184 and Rwf 199 respectively. An

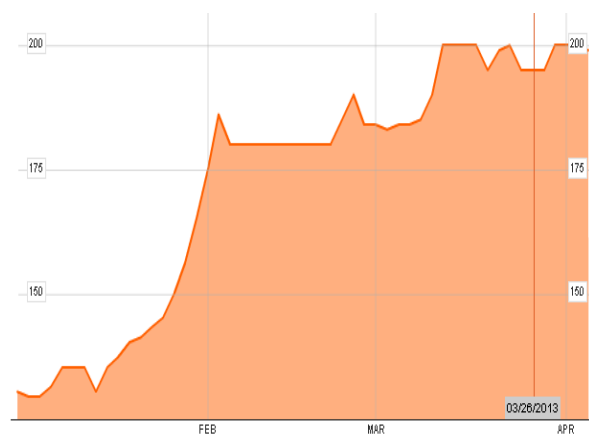
increase of 8.1 %. Details follow:

Open month of March: Rwf 184

Close month of March: Rwf 199

Month volume: 1,571,800

52-week range: Rwf 118 - Rwf 190.



Key statistics for BK

Current P/E Ratio (ttm)	5.0898
Estimated P/E (12/2013)	9.4340
Relative P/E vs.	-
Earnings Per Share (RWF) (ttm)	39.2940
Est. EPS (RWF) (12/2013)	21.2000
Est. PEG Ratio	-
Market Cap (M RWF)	60,060.88
Shares Outstanding (M)	300.30
30 Day Average Volume	331,323
Price/Book (mrq)	0.9518
Price/Sale (ttm)	1.2833
Dividend Indicated Gross Yield	3.25 %
Cash Dividend (RWF)	6.50000
Last Dividend	04-18-2012
5 Year Dividend Growth	-
Next Earnings Announcement	05-21-2013

Company Information

Bank of Kigali Ltd is a full services commercial bank. The bank offers a wide range of banking products and services, including personal loans, mortgages, web based banking, and custody services.

Chairman

Lado Gurgenedze

Vice Chairman / Managing Director

James Gatera

Secretary

Shivon Byamukama

Website

www.bk.rw

KCB Share Performance

KCB share price opened at KES 37.5 on March and closed at KES 41.00 end of March. Details follow:

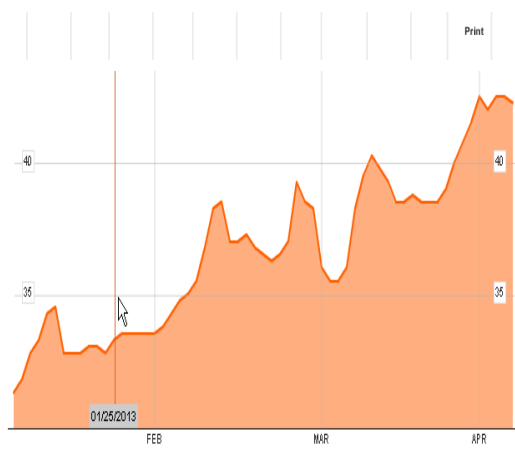
Open month of March: KES 37.5

Close month of March: KES 41.00

Month volume: data not available

52-week range: KES 21.75 -43.23

Share Price Movement for recent three months



Key Statistics for KCB

Current P/E Ratio (ttm)	10.2833
Estimated P/E (12/2013)	9.0646
Relative P/E vs.	0.62
Earnings Per Share (KES) (ttm)	4.1086
Est. EPS (KES) (12/2013)	4.6610
Est. PEG Ratio	-
Market Cap (M KES)	126,235.61
Shares Outstanding (M)	2,970.25
30 Day Average Volume	2,417,890
Price/Book (mrq)	2.3666
Price/Sale (ttm)	2.1475
Dividend Indicated Gross Yield	4.47 %
Cash Dividend (KES)	1.8050
Last Dividend	05-14-2013
5 Year Dividend Growth	-21.68%
Next Earnings Announcement	05-01-2013

Company Information

Kenya Commercial Bank (KCB) Ltd is a full services commercial bank. The bank offers a wide range of banking products and services, including personal loans, mortgages, web based banking, and custody services.

Chairman

Jeremiah Musa Hdeto

Chief executive Officer

Joshua N Oigara

Secretary

Kiprop David Malakwen

Website

www.kcbbankgroup.com

Safaricom Share Performance

Safaricom share price opened at KES 5.75 on March and closed at KES 5.95 end of March. Details follow:

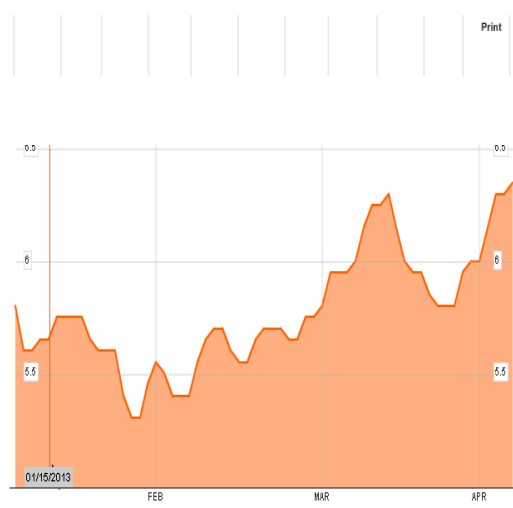
Open month of March: KES 5.75

Close month of March: KES 5.95

Month volume: data not available

52-week range: KES 3.05 – 6.60

Share Price Movement for recent three months



Key statistics for SAFARICOM

Current P/E Ratio (ttm)	15.3351
Estimated P/E (12/2012)	19.6875
Relative P/E vs.	0.9357
Earnings Per Share (KES) (ttm)	0.4108
Est. EPS (KES) (12/2012)	0.3200
Est. PEG Ratio	-
Market Cap (M KES)	252,000.00
Shares Outstanding (M)	40,000.00
30 Day Average Volume	13,450,360
Price/Book (mrq)	3.5745
Price/Sale (ttm)	2.1807
Dividend Indicated Gross Yield	3.49 %
Cash Dividend (KES)	0.2090
Last Dividend	09-14-2012
5 Year Dividend Growth	-
Next Earnings Announcement	05-10-2013

Company Information

Safaricom Ltd offers cellular telephone and Internet connection access services in Kenya

Chief Executive Officer

Robert William Collymore "Bob"

Chief Financial Officer

John Tombleson

Director - Resources

Joseph Ogutu

Website

www.safaricom.co.ke

NMG Share Performance

NMG share price opened at KES 269.00 on March and closed at KES 360.00 end of March. Details follow:

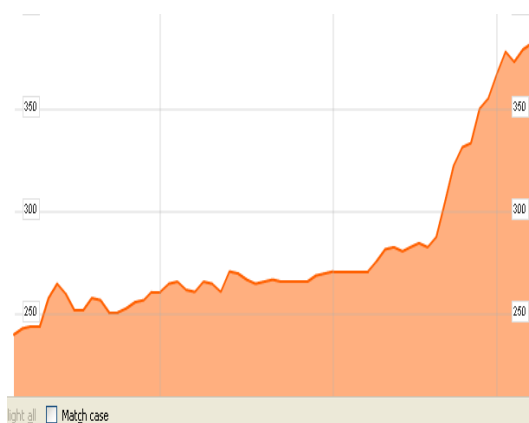
Open month March: KES 269.00

Close month March: KES 360.00

Year volume: data not available

52-week range: KES 156 – 400.00

Share Price Movement for Three Months



Key statistics for NMG

Current P/E Ratio (ttm)	23.5849
Estimated P/E (12/2012)	21.4592
Relative P/E vs.	1.4390
Earnings Per Share (KES) (ttm)	15.9000
Est. EPS (KES) (12/2012)	17.4750
Est. PEG Ratio	-
Market Cap (M KES)	58,919.46
Shares Outstanding (M)	157.12
30 Day Average Volume	44,560
Price/Book (mrq)	8.1256
Price/Sale (ttm)	4.7952
Dividend Indicated Gross Yield	2.67 %
Cash Dividend (KES)	7.1250
Last Dividend	04-15-2013
5 Year Dividend Growth	30.34 %
Next Earnings Announcement	08-08-2013

Company Information

Nation Media Group Ltd is a media company. The Group has operations in publishing, printing, and newspaper distribution as well as in television and radio broadcasting. NMG has subsidiaries in Tanzania, and Uganda, and also publishes magazines for East African countries

Chairman

Wilfred D Kibogo

Chief Executive Officer / Managing Director

Linus Wang 'Ombe Gitahi

Finance Director

Stephen Gitagama

EABL Share Performance

EABL share price opened at KES 285.00 on March and closed at KES 312.00 end of March. Details follow:

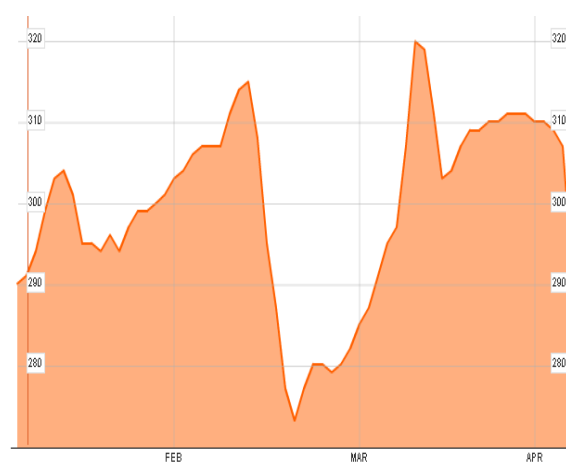
Open month March: KES. 285.00

Close month March: KES. 312.00

Year volume: data not available

52-week range: KES 200.00 – 325.00

Share Price Movement for Three Month



Key statistics for EABL

Current P/E Ratio (ttm)	22.9574
Estimated P/E (06/2013)	26.5692
Relative P/E vs. KNSMIDX	1.3962
Earnings Per Share (KES) (ttm)	13.4597
Est. EPS (KES) (06/2013)	11.6300
Est. PEG Ratio	-
Market Cap (M KES)	244,349.41
Shares Outstanding (M)	790.77
30 Day Average Volume	468,177
Price/Book (mrq)	37.2363
Price/Sale (ttm)	4.3867
Dividend Indicated Gross Yield	2.51 %
Cash Dividend (KES)	1.4250
Last Dividend	03-20-2013
5 Year Dividend Growth	1.98 %
Next Earnings Announcement	08-26-2013

Company Information

East African Breweries Ltd brews, bottles, and sells beer. The company also manufactures and sells glass bottles. EABL sells its products locally and internationally.

Chairman	Charles Kahara Muchene
Deputy Chairman	Nicholas Bodo Blazquez
Managing Director / CEO	Devlin M Hainsworth
Website	www.eabl.com

Equity Bank Share Performance

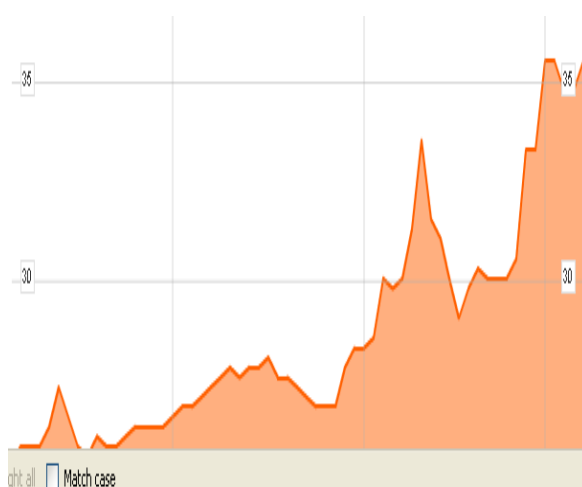
Equity share price opened at KES 28.25 on March and closed at KES. 33.50 end of March. Details follow:

Open month March : KES. 28.25

Close month March : KES. 33.50

52-week range: KES 19.50 – 36.50

Share Price Movement for Three Months



Key statistics for Equity

Current P/E Ratio (ttm)	10.7280
Estimated P/E (12/2013)	9.9150
Relative P/E vs. KNSMIDX	0.6499
Earnings Per Share (KES) (ttm)	3.2625
Est. EPS (KES) (12/2013)	3.5300
Est. PEG Ratio	-
Market Cap (M KES)	129,597.20
Shares Outstanding (M)	3,702.78
30 Day Average Volume	2,133,770
Price/Book (mrq)	2.9982
Price/Sale (ttm)	2.9437
Dividend Indicated Gross Yield	3.57 %
Cash Dividend (KES)	1.1875
Last Dividend	03-18-2013
5 Year Dividend Growth	79.72 %
Next Earnings Announcement	08-22-2013

Company Information

Equity Bank attracts deposits and offers commercial banking services. The Bank offers education, medical, farm, development, asset financing, and business loans.

Chairman

Peter Kahara Munga

Deputy Chairman

Benson Irungu Wairegi

Managing Director / CEO

James Njuguna Mwangi

Website

www.equitybank.co.ke

Investor Education

Dividend Facts You May Not Know

"Money For Nothing" is not only the title of a song by Dire Straits from the '80s; it also the feeling many investors get when they receive a dividend. All you have to do is buy shares in the right company and you'll receive some of its earnings. How exciting is that? Despite the advantage, however, there are several implications involved in the paying and receiving of dividends that the casual investor may not be aware of.

What Are Dividends?

Dividends are one way in which companies "share the wealth" generated from running the business. They are usually a cash payment, often drawn from earnings, paid to the investors of a company - the shareholders. These are paid on an annual or, more commonly, a quarterly basis. The companies that pay them are usually more stable and established, not "fast growers." Those still in the rapid growth phase of their life cycles tend to retain all the earnings and reinvest them into their businesses.

Price Implications

When a dividend is paid, several things can happen. The first of these is changes to the price of the security and various items tied to it. On the ex-dividend date, the stock price is adjusted downward by the amount of the dividend by the exchange on which the stock trades. For most dividends this is usually not observed amidst the up and down movements of a normal day's trading.

The reason for the adjustment is that the amount paid out in dividends no longer belongs to the company and this is reflected by a reduction in the company's market cap. Instead, it belongs to the individual shareholders. For those purchasing shares after the ex-dividend date, they no longer have a claim to the dividend, so the exchange adjusts the price downward to reflect this fact.



Implications for Companies

Dividend payments reduce retained earnings by the total amount of the dividend. In the case of a cash dividend, the money is transferred to a liability account called dividends payable. This liability is removed when the company actually makes the payment on the dividend payment date, usually a few weeks after the ex-dividend date. For instance, if the dividend was \$0.025 per share and there are 100 million shares outstanding, retained earnings will be reduced by \$2.5 million and that money eventually makes its way to the shareholders.

Implications for Investors

Cash dividends, the most common sort, are subject to a withholding tax of 5 % for local and regional investors. It has happened that international investors are subject to tax at 15 %. But this is an issue that is being debated by the local authorities.

The Bottom Line

Many investors see dividends as "money for nothing," but the implications surrounding paying and receiving dividends can mean a lot of work for both the company and the investor. If you reinvest your dividends through a **Dividend Reinvestment Plan** (DRIP) or equivalent, the paperwork and tracking of basis can become quite tedious. This will bring you the benefit of increasing your investment portfolio for more returns in the future. There is no such thing as a free lunch. As with every other aspect of investing, accurate records are important and it would probably be for you to use a spreadsheet or similar tool to track such details.



CDH Capital Ltd -

(Member of the Rwanda Stock Exchange, Registered with Capital Market Authority)

5th Floor, Ecobank Building, Avenue de la Paix
Kigali, RWANDA

Tel: +250 788 304 274

Cell: +250 788 301 007

Email: shehzadnoordally@cdhcapitaltd.org



Legal Disclaimer

The information/quotes in this newsletter originate from domestic and international information public sources (including the Internet) that are deemed reliable, along with public information, and CDH's own processing and estimates at the time. The information has not been researched independently by CDH and CDH does not vouch for the precision, veracity or rightness of the information.

CDH does not intend to disappoint anyone with their views in the newsletter as the newsletter is issue oriented and one can lose money based on our views. The opinions of the authors can change without notice and CDH is not obligated to update, rectify or change the report if assumptions change.

The newsletter is only published for informational purposes and shall therefore not be viewed as recommendation/advice to make or not make a particular investment or an offer to buy, sell or subscribe to specific financial instruments. CDH and its employees are not responsible for transactions that may be carried out based on information put forth in the report.

Readers who are interested in making transactions are urged to seek expert advice and familiarize themselves thoroughly with the investment options on offer. Investments always entail financial risk, including risk due to local investments and fluctuations in the exchange rate of currencies. Investors' investment objectives and financial position vary.

It should be noted that past returns do not indicate future returns. Reports and other information from CDH are only intended for private use. This report is a short compilation and should not be considered to contain all available information on the subjects it discusses.