

Lafarge Bamburi Group 2011 Half Year Results

24.08.2011

Lafarge Bamburi Group reports a 26% growth in Turnover to 16.4 billion.

The Group investments in new capacity and other strategic actions deliver top line growth and enhance profitability.

The Board of Directors of Bamburi Cement Ltd, chaired by Richard Kemoli, met on August 24, 2011 to approve the unaudited results for the 6 months ended June 30, 2011.

Half Year key figures vs. prior year:

Turnover: KShs. 16.4 billion	Cash & Cash equivalents: KShs. 7.8 billion
Operating profit: KShs. 3.9 billion	Earnings Per Share: KShs. 7.65

Results Highlights:

-Growth in turnover driven by growth in volumes across both Uganda and Kenya.

-Investment in additional production line in Uganda helps drive growth in regional market share in spite of strong competition in Kenya due to new capacities.

-Despite the difficult operating environment amplified by surging fuel, transport and power costs; operating profit grew by 20% driven by increased volumes and cost management measures.

-Pre-tax profit rose 22% to stand at KShs. 4.3 billion due to exchange gains on deposits partially eroded by higher loan financing costs.

-The Group continues to focus on working capital management to optimise its cash position.

2011 Outlook:

The Board of Directors continue to identify and implement sustainable strategies to steer the Group's growth and profitability in an increasingly competitive environment. The new production line at Kasese Plant, Uganda has and will go a long way in enhancing the Group's efficiency levels and improve operating results.

The Group will focus on replicating our unparalleled offer to the market through product innovation and stellar customer service augmented by a dedicated investment in brand building. Further, The Group will increase its efficiency through rationalisation of cost and capital expenditure while improving industrial productivity to meet customer expectations and sustain the cash generation initiatives.

Capacity enhancement and innovation:

In addition to the new cement capacity in Uganda, we continue to look for opportunities to enhance our product and service offering through investment in value added products such as the introduction of ReadyMix Concrete and augmenting the Precast Blocks capacity.

Safety, Health and Environment:

The group has maintained its priority of delivering a safe work place. During the six months, the Group's focus on safety was evidenced by zero industrial and road fatalities for both employees and contractors. Similarly, Bamburi Cement continues to champion a road safety culture through road patrols, drivers fatigue management courses as well as employee and contractor driven industrial safety.

Contribution to the Economy:

The Group continues to be one of the largest tax payers in the region. The Group paid tax amounting to KShs. 1.3 billion to both Kenya and Uganda governments.

Dividends:

The Board of Directors resolved to declare an interim dividend of 40% per ordinary share (KShs. 2.00/= per ordinary share) totalling KShs. 726 million compared to 30% per ordinary share (KShs. 1.50/= per ordinary share) paid in 2010.

Notes to editors

Lafarge Bamburi Group is the leading cement producing and marketing Group in the Eastern Africa region. Its subsidiaries include Hima Cement Ltd (Uganda), Bamburi Special Products Ltd and Lafarge Ecosystems Ltd. Bamburi Cement is a subsidiary of Lafarge.

Lafarge is the world leader in building materials, with top-ranking positions in all of its businesses: Cement, Aggregates & Concrete and Gypsum. With 76,000 employees in 78 countries, Lafarge posted sales of Euros 16.2 billion in 2010.

Lafarge was ranked 6th in the "Carbon Disclosure Project" and entered the global "Dow Jones Sustainability Index" in 2010 in recognition of its sustainable development actions. With the world's leading building materials research facility, Lafarge places innovation at the heart of its priorities, working for sustainable construction and architectural creativity.

Additional information is available on the web sites at www.lafarge.com and www.bamburicement.com

**CORPORATE
COMMUNICATIONS MANAGER:**

Emily Waita: 254 -20 2893300

Emily.Waita@bamburi.lafarge.com

GROUP FINANCE DIRECTOR:

Joshua Oigara: 254 -20 2893300

Joshua.Oigara@bamburi.lafarge.com