BAMBURI CEMENT LIMITED

The Directors of Bamburi Cement Limited are pleased to announce the audited Group results for the year ended 31 December 2011

Condensed statement of comprehensive income for the year ended 31 December 2011

	2011 December KShs. Million	2010 December KShs. Million
Turnover	**35,884**	**28,075**
Operating profit	**7,954**	**7,282**
Investment income	342	143
Other gains and losses	544	230
Finance costs	(374)	(91)
Profit before tax	**8,466**	**7,564**
Taxation	(2,607)	(2,265)
Profit for the Period	**5,859**	**5,299**
Earnings Per Share (basic & diluted) – KShs Per Share	**14.44**	**14.02**

Condensed statement of financial position as at 31 December 2011

	2011 December KShs. Million	2010 December KShs. Million
Assets		
Non-current assets		
Property, plant & equipment	19,289	19,315
Other equity investments	640	911
Goodwill	217	217
	20,146	**20,443**
Working capital		
Current assets	6,220	5,247
Current liabilities	(5,097)	(7,464)
	1,123	**(2,217)**
Cash and bank balances	**7,136**	**7,616**
	28,405	**25,842**
Capital and reserves		
Share capital	1,815	1,815
Reserves	20,213	18,350
	22,028	**20,165**
Equity attributable to owners of the Company		
Non-controlling interests	2,146	1,461
Non-current liabilities	4,231	4,216
	28,405	**25,842**

Condensed Statement of cash flows for the year ended 31 December 2011

	2011 December KShs. Million	2010 December KShs. Million
Cash generated from operations	**7,595**	**10,949**
Interest received	342	128
Interest paid	(374)	(91)
Net foreign exchange gains	417	–
Tax paid	(2,300)	(2,251)
Net cash generated from operating activities	**5,680**	**8,735**
Net cash used in investing activities	(1,373)	(3,409)
Net cash used in financing activities	(4,840)	(4,155)
Net increase in cash & cash equivalents	**(533)**	**1,171**
Effects of exchange rate changes on cash held in foreign currencies	53	18
At beginning of the year	7,616	6,427
At end of the period	**7,136**	**7,616**

Condensed statement of changes in Equity as at 31 December 2011

	2011 December KShs. Million	2010 December KShs. Million
Share Capital	1,815	1,815
Revaluation reserve	1,823	2,063
Fair value and translation reserves	407	356
Retained Earnings	17,983	15,931
Attributable to equity holders of the parent	**22,028**	**20,165**
Non-controlling interests	**2,146**	**1,461**
At end of the period	**24,174**	**21,626**

Explanatory notes: *These results are extracted from the consolidated financial statements of Bamburi Cement Limited for the year ended 31 December 2011. The financial statements were audited by Deloitte & Touche, and have received an unqualified opinion.*

HIGHLIGHTS

The Group's turnover increased by 28% to KShs 35.9 billion, driven by increased domestic and export volumes from the new line in Uganda and optimization of existing capacity across all plants. The year was also characterised by stable domestic prices and better export prices, due to appreciation of the US dollar.

Operating profit grew by 9% to KShs 7.9 billion, notwithstanding the growth in turnover, due to a difficult external cost environment brought about by high global fuel prices, increase in power costs, high inflation, local currency depreciation and increased competition.

Pre-tax profit increased by 12% to KShs. 8.5 billion shored up by gains on cash deposits and exchange gains on foreign currency cash balances, partially eroded by higher loan financing cost in Uganda, on account of high interest rate regime in the second half of the year.

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

2012 OUTLOOK

The Group remains cautious on the local and global macroeconomic environment for 2012. While early positive signs are starting to develop in the United States economy, sovereign debt concerns in the Eurozone, political instability in the Middle East, cost inflation in developing markets, and uncertain political environment in Kenya continue to make visibility difficult.

The Group remains committed to contributing to the growth of the Eastern Africa economy. The new investment in Uganda and recent expansion of its downstream business has reinforced the Group's position as the regional market leader.

The Group is well positioned to grow its footprint in the region and will focus on key strategic priorities, namely customer service and industrial excellence, strong brand equity, cost leadership, working capital optimization and a committed work force to realize its vision.

DIVIDEND

An interim dividend of KShs. 2.00/= per ordinary share amounting to KShs. 726 Million was paid on 20 October 2011.

The Directors recommended payment of a final dividend of KShs. 8.00/= per ordinary share (KShs. 7.00/= per ordinary share in 2010) subject to approval by shareholders at the Annual General Meeting. The final dividend, when added to the interim dividend already paid, brings the total dividend for the year to KShs. 3,629 Million (KShs. 3,085 Million in 2010).

Closure of Share Register

Subject to approval by the shareholders at the Annual General Meeting, the final dividend for 2011 will be paid on or about 15 June 2012 to members on the register at close of business on 23 March 2012. Accordingly, the register of members will close at 4.30pm on 23 March 2012 and will remain closed up to 26 March 2012.

CHANGE IN DIRECTORSHIP

Following reorganisation within the Lafarge Group, John Stull resigned as a Director of the company with immediate effect.

By Order of the Board,

Hussein Mansi,
Managing Director

23rd February 2012

LAFARGE

I CARE FOR OUR HEALTH & SAFETY — LAFARGE H&S EXCELLENCE CLUB

A proud m emb er of the Health & Safety Excellence Club

Bamburi cement

Part of you. From the start