

BAMBURI CEMENT LIMITED

The Directors of Bamburi Cement Limited are pleased to announce the audited Group results for the year ended 31st December 2014

Condensed Statement of Profit and Loss and Other Comprehensive Income for the Year ended	2014	2013
	KShs. Million	KShs. Million
Turnover	36,029	33,928
Cost of sales	(26,683)	(25,411)
Gross profit	9,346	8,517
Other operating costs	(4,071)	(3,275)
Investment income	349	473
Other gains and losses	253	(78)
Finance costs	(76)	(121)
Profit before tax	5,801	5,516
Tax	(1,898)	(1,843)
Profit for the year	3,903	3,673
Total other comprehensive income, net of tax	(304)	908
Total comprehensive income	3,599	4,581
Earnings per share (EPS) – KShs. per Share*	9.80	9.55

*EPS calculated on profit after tax attributable to shareholders of the parent and based on average number of shares

Condensed Statement of Financial Position as at	2014	2013
	KShs. Million	KShs. Million
Assets		
Non-current assets		
Property, plant and equipment and intangible assets	24,567	25,975
Other equity investments	662	787
Goodwill	217	217
	25,446	26,979
Working capital		
Current assets	7,901	7,161
Current liabilities	(6,909)	(5,981)
	992	1,180
Cash and bank balances	7,644	8,876
Total assets	34,082	37,035
Equity		
Share capital	1,815	1,815
Reserves	24,913	27,115
Attributable to equity holders of the parent	26,728	28,930
Non-controlling interests	2,391	2,580
Total equity	29,119	31,510
Non-current liabilities	4,963	5,525
Total equity and non-current liabilities	34,082	37,035

HIGHLIGHTS

The Group's turnover increased by KShs. 2.1 billion to KShs. 36 billion mainly as a result of improved market conditions in Uganda, and growth in the Kenyan market, in particular the infrastructure segment in the latter part of the year, which saw commencement of key government projects and growth in the contractor segment, especially value added products. Exports into inland Africa improved with the exception of those into South Sudan.

The cost base for the year was influenced by high power prices in Kenya compared to 2013, despite the price reductions in the last quarter of the year after the launch of the Olkaria Geothermal

Condensed Statement of Cash Flows for the year ended	2014	2013
	KShs. Million	KShs. Million
Cash generated from operations	7,271	6,593
Interest received	349	473
Interest paid	(76)	(121)
Net foreign exchange loss/(gain)	170	45
Tax paid	(1,793)	(1,808)
Net cash generated from operating activities	5,921	5,182
Net cash used in investing activities	(918)	(864)
Net cash used in financing activities	(6,235)	(4,211)
Net increase in cash and cash equivalents	(1,232)	107
At beginning of the year	8,876	8,769
At end of the year	7,644	8,876

Condensed Statement of Changes in Equity for the Year ended	2013	2014
	KShs. Million	KShs. Million
Share capital	1,815	1,815
Revaluation reserve	7,683	7,963
Fair value and translation reserve	10	278
Retained earnings	17,220	18,874
Attributable to equity holders of the parent	26,728	28,930
Non-controlling interests	2,391	2,580
At end of the year	29,119	31,510

project. At the Kasese Plant in Uganda, the Group successfully launched the petcoke fuel conversion and the energy cost benefits have become visible in the second half of the year. Operating profit for the period was KShs 5.3 billion compared to KShs. 5.2 billion prior year while profit before tax increased to KShs. 5.8 billion up from KShs. 5.5 billion in 2013.

2015 OUTLOOK

The Group is optimistic about the market growth prospects in the domestic market, including large infrastructure projects both ongoing and/or planned in both countries, and inland Africa export markets where the Group is strongly positioned to benefit from. This together with improved cost base and the completion of a number of cost containment measures at all plants, gives the Group good foundation for a strong 2015.

DIVIDEND

An interim dividend of KShs. 6.00 per ordinary share amounting to KShs. 2,178 million was paid on 10th October 2014.

The Board of Directors recommends payment of a final dividend of KShs. 6.00 per ordinary share (KShs. 9.00 per ordinary share paid in 2013) 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. 4,356 million (KShs. 3,993 million in 2013).

CLOSURE OF SHARE REGISTER

Subject to approval by the Shareholders at the Annual General Meeting, the final dividend for 2014 will be paid on or about 10th July, 2015 to members on the register at close of business on 4th April, 2015. Accordingly, the register of members will close at 4.30pm on 4th April, 2015 and will remain closed up to 6th April, 2015.

By Order of the Board,

Bruno Pescheux
Group Managing Director
5th March, 2015