

BAMBURI CEMENT LIMITED

The Directors of Bamburi Cement Limited are pleased to announce the audited Group results for the year ended 31 December 2015

Condensed Group Statement of Profit or Loss and Other Income	31 December 2015	31 December 2014
	KES. Million	KES. Million
Turnover	39,200	36,029
Cost of sales	(26,670)	(26,683)
Gross profit	12,530	9,346
Operating expenses	(5,251)	(4,071)
Operating profit	7,279	5,275
Investment income	374	349
Other gains and losses	997	253
Finance costs	-	(76)
Restructuring costs	(192)	-
Profit before tax	8,458	5,801
Tax	(2,586)	(1,898)
Profit for the year	5,872	3,903
Other comprehensive income for the year, net of tax	(681)	(304)
Total comprehensive income for the year	5,191	3,599
Earnings per share (EPS)		
- KES per Share	14.49	9.80

Condensed Group Statement of Financial Position	31 December 2015	31 December 2014
	KES. Million	KES. Million
Assets		
Non-current assets		
Property, plant and equipment	23,145	24,567
Other equity investments	535	662
Goodwill	217	217
	23,897	25,446
Working capital		
Current assets	9,549	7,901
Current liabilities	(7,465)	(6,884)
	2,084	1,017
Dividend Payable	(97)	(25)
Cash and cash equivalents	8,453	7,644
Total assets	34,337	34,082
Equity		
Share capital	1,815	1,815
Reserves	25,074	24,913
Equity attributable to owners of the company	26,889	26,728
Non-controlling interests	2,817	2,391
Non-current liabilities	4,631	4,963
Total equity and non-current liabilities	34,337	34,082

Condensed Statement of Cash Flows	31 December 2015	31 December 2014
	KES. Million	KES. Million
Cash generated from operations	8,320	7,611
Interest received	374	349
Interest paid	-	(76)
Net foreign exchange gain/(loss)	104	(170)
Tax paid	(2,531)	(1,793)
Net cash generated from operating activities	6,267	5,921
Net cash used in investing activities	(966)	(898)
Net cash used in financing activities	(4,447)	(6,235)
Net increase in cash and cash equivalents	854	(1,212)
At beginning of the year	7,644	8,876
Effects of exchange rate changes on cash held in foreign currencies	(45)	(20)
At end of the year	8,453	7,644

Condensed Statement of Changes in Equity	31 December 2015	31 December 2014
	KES. Million	KES. Million
Share capital	1,815	1,815
Revaluation reserve	7,424	7,683
Fair value	332	459
Translation reserves	(1,030)	(449)
Retained earnings	18,348	17,220
Attributable to equity of the parent	26,889	26,728
Non-controlling interests	2,817	2,391
At end of the year	29,706	29,119

Explanatory notes: These results are extracted from the consolidated financial statements of Bamburi Cement Limited for the year ended 31 December 2015. The financial statements were audited by Ernst & Young and have received an unqualified opinion.



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HIGHLIGHTS

The 2015 market conditions were more favourable compared to 2014 with stable macro economic conditions for most of the year in both the domestic and regional markets. In the third quarter, the Group experienced some bit of turbulence in interest rates, currency and inflation, which was contained by monetary actions taken by the respective central banks.

Group turnover increased by 9% to KES 39.2 billion, driven by increased demand in the key domestic markets in Kenya and Uganda resulting mainly from growth in large infrastructure projects and contractor segments, despite some slow-down in domestic market in the last quarter, together with a growth in the inland Africa exports out of Uganda earlier in the year.

Operating profit increased by 38% to KES 7.3 billion from KES 5.3 billion prior year due to growth in sales, improved external cost environment, the positive impact of effective cost management initiatives and process improvement measures adopted across the Group's operations in both countries.

Investment income and foreign exchange gains, which were influenced by the foreign currency denominated cash and other monetary assets held by the Group increased as local currencies depreciated. These, when added to operating profit, resulted in the profit before tax increase from KES 5.8 billion prior year to KES 8.5 billion, a 46% improvement.

Cash generated from operations increased to KES 8.3 billion from KES 7.6 billion as a result of continued sound management of working capital.

The Group implemented a restructuring exercise across all its entities to align the organisation structure to the evolving strategic direction.

2016 OUTLOOK

The Group is optimistic about the GDP growth in 2016 in both Kenya and Uganda, which should influence market growth, despite a slow start in Kenya.

The Group will continue in its pursuit to offer innovative solutions to its customers and its internal cost management initiatives, which taken together, should give it a good performance in 2016.

In addition, the Group will leverage on the good performance to take appropriate measures and decisions to sustain, in the growing regional market, its market leadership position in the medium to longer term.

DIVIDEND

An interim dividend of KES 6.00/= per ordinary share amounting to KES 2,178 million was paid on 30 October 2015.

The Board of Directors recommends payment of a final dividend of KES 7.00/= per ordinary share (KES 6.00/= per ordinary share paid in 2014) 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 KES 4,718 million (KES 4,356 million in 2014).

CLOSURE OF SHARE REGISTER

Subject to approval by the shareholders at the Annual General Meeting, the final dividend for 2015 will be paid on 8th July 2016 to members on the register at close of business on 12th April 2016. Accordingly, the register of members will close at 4:30pm on 12th April 2016 and will remain closed up to 13 April 2016.

CHANGE IN DIRECTORSHIP

The Board of Directors accepted the resignation of Catherine Langreny, who served on the Board since 2012, with regret. The change takes effect immediately.

By Order of the Board,
Bruno Pescheux

Group Managing Director
10th March 2016

For more information about the company visit www.lafarge.co.ke