BAMBURI CEMENT LIMITED

The Directors of Bamburi Cement Limited are pleased to announce the unaudited Group results for the sixth month ending **30th June 2015**

Condensed Statement of Profit or Loss and Other Comprehensive Income	2015 June KSHs. Million	2014 June KSHs. Million
Turnover	**19,321**	**17,290**
Operating profit	4,032	2,209
Investment income	**154**	**206**
Other gains and losses	397	(15)
Finance costs	-	(75)
Restructuring costs	(81)	-
Profit before tax	**4,502**	**2,325**
Taxation	**(1,419)**	**(667)**
Profit for the Period	**3,083**	**1,658**
Earnings Per Share – KSHs. per Share*	**7.77**	**4.38**

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

Condensed Statement of Financial Position	2015 June KSHs. Million	2014 December KSHs. Million
Assets		
Non-current assets		
Property, plant & equipment	23,115	24,567
Other equity investments	657	662
Goodwill	217	217
	23,989	**25,446**
Working capital		
Current assets	8,650	7,901
Current liabilities	(8,559)	(6,768)
	91	**1,133**
Cash and bank balances	**11,443**	**7,644**
Total assets	**35,523**	**34,223**
Capital and reserves		
Share capital	1,815	1,815
Reserves	26,925	24,913
Equity attributable to owners of the Company	28,740	**26,728**
Total equity	**29,119**	**31,510**
Non-controlling interests	2,674	2,391
Non-current liabilities	4,109	5,104
Total equity and non-current liabilities	**35,523**	**34,223**

Explanatory notes: *These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The financial statements do not include all of the information required for full annual statements, and should be read in conjunction with the consolidated annual financial statements of the Group for the year ended 31 December 2014.*

HIGHLIGHTS

Following strong growth in its primary markets together with better cost optimisation and environment, the Group recorded strong growth in the first half of 2015 compared to the same period in 2014.

The Group's turnover increased to KSHs. 19.3 billion from KSHs. 17.3 billion as a result of improved market conditions in both Kenya and Uganda following strong growth in the infrastructure and contractor segments, stable macro-economic indicators in both countries and strong Inland Africa export markets.

Operating profit increased to KSHs. 4.0 billion from KSHs. 2.2 billion due to growth in sales, a better external cost environment together with the positive impact of the progressive cost initiatives and process improvement measures adopted across the Group's operations in both countries.

When the operating profit is added to investment income and large foreign exchange gains on dollar denominated liquid assets, the profit before tax improved to KSHs. 4.5 billion from KSHs. 2.3 billion.
Continued sound management of working capital generated strong cash flows from operations of KSHs. 4.1 billion, after tax payments.

During the period, the Group successfully completed a voluntary early retirement scheme at Lafarge Ecosystems Limited as part of changing the subsidiary's strategic reorientation.

2015 OUTLOOK

The outlook for the rest of 2015 is stable, with projected and continued positive growth in all regional East African economies underpinned by a robust construction industry. Macroeconomic indicators are projected to be largely stable but with some caution on the changing environment, especially in the energy sector. In addition, the respective Central Banks measures to curb inflation and currency depreciation though policy interest rate increases in both primary market countries could have an impact on growth prospects.

Condensed Statement of Cash Flows	2015 June KSHs. Million	2014 June KSHs. Million
Cash generated from operations	**5,541**	**2,930**
Interest received	153	206
Interest paid	-	(74)
Net foreign exchange gains	(339)	(47)
Tax paid	(1,213)	(795)
Net cash generated from operating activities	**4,142**	**2,220**
Net cash used in investing activities	(304)	(185)
Net cash used in financing activities	(39)	(530)
Net increase in cash & cash equivalents	**3,799**	**1,505**
At beginning of the year	7,644	8,876
At end of the period	**11,443**	**10,381**

Condensed statement of changes in equity	2015 June KSHs. Million	2014 December KSHs. Million
Share capital	1,815	1,815
Revaluation reserve	7,553	7,683
Fair value and translation reserves	(1,307)	10
Retained Earnings	20,679	17,220
Attributable to equity holders of the parent	**28,740**	**26,728**
Non-controlling interest	**2,674**	**2,391**
At end of the period	**31,414**	**29,119**

The Group, having benefited tremendously from prior cost and process improvement initiatives, will continue with such initiatives. Furthermore, we will also strengthen our activities to exceed our Customer expectations through innovations, across all our operations. These, together with its strong brands, marketing efforts and better external cost environment should leverage the Group in these growing markets.

The Group shall also continue with its sound working capital management practices to generate cash. In addition, we will leverage the strength that comes with being part of the world's leader in building materials, LafargeHolcim, and look at all options to continue being the highest performing company in the building materials industry in East Africa.

DIVIDEND

The Board of Directors recommends payment of an interim dividend of KSHs. 6.00 per ordinary share (KSHs. 6.00 per ordinary share paid in 2014).

CLOSURE OF SHARE REGISTER

The interim dividend is proposed to be paid on or about 30th October 2015 to members on the register at close of business on 25th September 2015. Accordingly, the register of members will close at 4.30pm on 25th September 2015 and will remain closed up to 28th September 2015.

CHANGES IN DIRECTORSHIP

The Board of Directors accepted the resignation of Dominique Brugier. Mr. Brugier has served on the Board since 2009 and has been instrumental in the Board's management of operational risks.

The Board also accepted the nomination of Dominique Drouet as a shareholder representative on the Board. Mr. Drouet brings a wealth of experience having been in the cement industry for over twenty years. Consequently, Thomas Farrell will no longer be a member of the Board.

The Board takes this opportunity to thank Mr. Brugier and Mr. Farrell for their service to the Board while wishing them the very best for the future and to welcome Mr. Drouet to the Group.

These changes take effect immediately.

By Order of the Board,
Bruno Pescheux
Group Managing Director
27th August 2015

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