

The Directors of Bamburi Cement Limited are pleased to announce the unaudited group results for the six months to 30 June 2007

Condensed Income Statement for six months ended 30 June 2007	2007	2006
	June	June
	Shs Million	Shs Million
Turnover	10,516	7,900
Operating profit	2,395	1,934
Financing income/ (costs)	(155)	21
Profit before tax and minority interest	2,240	1,955
Tax	(647)	(594)
Profit after tax	1,593	1,361
Minority interest	(107)	(79)
Profit attributable to shareholders	1,486	1,282
First interim dividend	726	726
Second interim dividend	1,270	726
	1,996	1,452

Condensed Cashflow Statement for six months ended 30 June 2007	2007	2006
	June	June
	Shs Million	Shs Million
Cash generated from operations	2,595	2,454
Net interest paid	1	(34)
Tax paid	(914)	(703)
Net cash from operating activities	1,682	1,717
Net cash used in investing activities	(261)	(122)
Net cash used in financing activities	(1,265)	(711)
(Increase)/Decrease in cash & cash equivalents	156	884
As start of period	2,086	503
At end of period	2,242	1,387

Consolidated Balance Sheet as at 30 June 2007	2007	2006
	June	June
	Shs Million	Shs Million
Assets		
Non-current assets		
Property, plant & equipment	12,911	11,302
Working capital		
Current assets	5,490	4,490
Current liabilities	(1,978)	(1,664)
Net working capital	3,512	2,826
	16,423	14,128
Capital and reserves		
Share capital	1,815	1,815
Capital redemption reserve fund	2	2
Reserves	11,511	9,442
Shareholders funds	13,328	11,259
Minority interests	820	679
Non-current liabilities	2,275	2,190
	16,423	14,128

Condensed statement of changes in equity for the six months ended 30 June 2007	2007	2006
	June	June
	Shs Million	Shs Million
Share Capital	1,815	1,815
Capital Redemption Reserve	2	2
Revaluation reserve	2,756	2,823
Fair value and translation reserves	2,268	1,377
Retained Earnings	6,487	5,242
Attributed to Bamburi equity holders	13,328	11,259
Attributed to Minority shareholders	820	679
At end of period	14,148	11,938

Explanatory note: These financial statements have been prepared in accordance with prior year accounting policies.

The growth in the group's turnover compared to last year was fuelled by strong sales volumes across all markets arising from higher market demand on the back of increased construction activities, especially individual home builder's (IHB) activities and strong export markets demand.

The Kenyan market maintained stable growth but we continued to face competition in Uganda, especially in the main central market.

Despite a difficult operating environment, mainly power supply challenges in Uganda, longer planned maintenance shutdown and higher use of purchased clinker to meet increased market demand our profit before tax grew by 15%. We continued to benefit from various initiatives launched in 2006 to optimise operational efficiency and control costs. Power costs remained steady in Kenya but grew by 98% in Uganda compared to the same period last year.

Financing income was affected by foreign exchange losses on our dollar denominated assets as a result of a stronger shilling compared to the US dollar in both countries. The increase in working capital is mainly due to increased activity as shown by the increase in turnover. At the same time, cash resources have increased in both countries.

With the region's economy expected to remain vibrant, we anticipate a strong performance during the second half of the year despite increasing pressure on transport, rising fuel prices and concerns on stability of power supply. We will continue with implementation of various cost optimisation initiatives to offset these escalating costs.

SECOND INTERIM DIVIDEND

A first interim dividend of 40% per ordinary share (Kshs 2.00) totalling Kshs 726 million was paid in April. The Board of Directors is pleased to announce the payment of a second interim dividend of 70% per ordinary share (KShs 3.50 per share) totalling 1,270 million. This brings the total interim dividends to Kshs 1,996 million.

CLOSURE OF SHARE REGISTER

The second interim dividend will be paid on or about the 8 October 2007 to members on the register at the close of business on 14 September 2007. The register of members will close at 4.30 pm on 14 September 2007 and will remain closed up to 17 September 2007.

By Order of the Board,

B Kanyagia,
Company Secretary

16 August 2007



Bamburi
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