



LAFARGE ZAMBIA PLC

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

In compliance with the requirements of the Securities Act, Cap 354 of the Laws of Zambia and the listing rules of the Lusaka Stock Exchange (LuSE), Lafarge Zambia PLC announces the audited results for the year ended 31 December 2015.

CONTINUED RESILIENCE WITH VOLUMES ONLY marginally DOWN VS 2014

FULL YEAR OPERATIONAL PROFIT AT ZMW 452 MILLION (-23% vs. 2014)

ON-GOING COST BASE ADJUSTMENT MEASURES TO DEAL WITH NEW MARKET ENVIRONMENT

Full Year Key Figures

- | | |
|---|--|
| <ul style="list-style-type: none"> Sales Turnover: ZMW 1,296 million Profit Before Tax: ZMW 484 million (including ZMW 17 million of restructuring costs) | <ul style="list-style-type: none"> Profit After Tax: ZMW 322 million Company's Earnings Per Share: ZMW1.61 per share |
|---|--|

Full Year Company Highlights

- Full Year Results impacted by pricing pressure; challenging export markets, power costs increase and steep currency depreciation in H2 2015. Profit before tax, including restructuring costs of ZMW 17 million, at ZMW 483 million (down 26% vs. 2014).
- The Financial Position and Cash Flows of the Company remained solid with no external debt. The Dividend declared for 2014 was paid out in the second quarter of the year.
- At the meeting of the Board of Directors held on 28 January 2016, the Directors recommended that in addition to the interim dividend of ZMW 0.25 per share paid in 2015, a final dividend of ZMW 0.50 per share for the financial year ending 31 December 2015 be approved at the Annual General Meeting to be held on 18 March 2016.

"Despite new competition and challenging markets Lafarge Zambia maintained its market leadership in 2015 both in Zambia and in the DRC, with a marginal reduction versus our record 2014 volume numbers. The second half of 2015 saw a combination of negative factors both in terms of market and in terms of production costs. Strong measures have been put in place to reduce our costs and leverage synergies from the new Group. We are fully focused in 2016 on developing our export markets and introducing new solutions to our customers particularly in the distribution sector."

Emmanuel Rigaux, Chief Executive Officer of Lafarge Zambia

Directorate

Mr. Dominique Drouet was appointed to the Board effective 7 August 2015.

Outlook:

Our markets are expected to be challenging again in 2016 both on prices and volume. We will continue to focus on our export markets (Democratic Republic of Congo (DRC), Malawi, Zimbabwe, and Tanzania). Our partnership with the rail authorities including Zambia Railways Limited is set to increase the flow of products by rail to our foreign markets and assert Zambia as a regional export hub.

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Condensed Financial Statements for the Year Ended 31 December 2015

Kwacha Thousands	2015	2014
Condensed Statement of Comprehensive Income for the year ended 31 December	ZMW'000'	ZMW'000'
Revenue	1,296,410	1,384,427
Profit Before Interest and Tax	451,767	585,528
Net Financing Income	1,025	7,123
Sundry Revenue	10,499	17,772
Net Exchange Gains	20,457	46,543
Profit Before Tax	483,748	656,965
Income Tax Expense	(161,078)	(234,068)
Dividend Received	-	1,022
PROFIT FOR THE YEAR	322,670	423,919
Profit Attributable to:		
Equity holders of the Parent	242,003	317,939
Minority Interest	80,667	105,980
Basic and Diluted Earnings Per Share (Kwacha per share)	1.61	2.12
Condensed Statement of Financial Position as at 31 December		
Net Assets Employed		
Property, plant and equipment	1,470,962	1,361,959
Investments	32,386	21,818
Net Current Assets	221,373	247,388
	1,724,721	1,631,165
Liabilities due after one year		
Provision for Environmental Liabilities	13,009	28,173
Deferred Liabilities	519	798
Deferred Tax	443,565	437,192
	1,267,628	1,165,002
Financed by		
Share Capital	(10,002)	(10,002)
Reserves	(1,257,626)	(1,155,000)
	(1,267,628)	(1,165,002)
Condensed Statement of Cash Flows for the year ended 31 December		
Net Cash from Operating Activities	290,353	426,755
Net Cash used in Investing Activities	(157,831)	(49,459)
Net Cash utilised in Financing Activities	(220,043)	(550,110)
Decrease in Cash and Cash Equivalents	(87,521)	(172,814)
Cash and Cash Equivalents at beginning of the year	173,670	346,484
Cash and Cash Equivalents at end of the year	86,148	173,670



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LUSAKA STOCK EXCHANGE SPONSORING BROKER

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