



LAFARGE ZAMBIA Plc

Results for the year ended 31 December 2014

- **SOLID OPERATIONAL AND FINANCIAL PERFORMANCE**
- **EXPANSION PROJECTS ON TRACK**

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, Lafarge Zambia Plc announces the audited results for the year ended 31 December 2014.

H2 2014 vs H2 2013

- Sales volumes marginally up at 654,000 tonnes
- Sales turnover up 17%
- Profit Before Tax up 15% to ZMW 386 million

Full year key figures

- Sales volumes up 4% to 1,222,000 tonnes
- Sales turnover up 22% to ZMW 1,384 million
- Profit Before Tax up 29% to ZMW 658 million
- Profit After Tax up 25% to ZMW 424 million
- Earnings Per Share up 24% to ZMW 2.12

Company highlights full year 2014

- Sales volumes at record level with marginal improvement in H2 2014 vs H2 2013.
- Increase in Profit After Tax is driven by favorable sales volumes, launch of new products, cost control initiatives, improved industrial performance and positive foreign exchange gains.
- Total Profit and Comprehensive Income (net of tax) at ZMW 866 million (vs ZMW 339 million in 2013) is driven by 2014 profit and revaluation of assets required by International Accounting Standards.
- The Financial Position and Cash Flow of the Company remains solid with strong cash position and no external debt.
- The successful implementation of Lusaka Stock Exchange (LuSE) Free Float Compliance Programme has enabled Lafarge Zambia to qualify as a Zambian Citizen Empowered Company and to become the largest market cap on the LuSE Share Index.
- Expansion plans for Chilanga and Ndola Plants are on track.
- At the Board of Directors meeting held on 17 February 2015, the Directors recommended that in addition to the interim dividend of ZMW 0.75 per share paid in 2014, a final dividend of ZMW 0.85 per share for the financial year ending 31 December 2014 be approved at the Annual General Meeting to be held on 24 March 2015.

Emmanuel Rigaux, Chief Executive Officer of Lafarge Zambia, said:

"The Company has turned in a solid set of results in spite of challenging markets marked by strong currency fluctuations, increased competition and multiple cost challenges. Beyond our growth in cement production and volumes we have

found new relays of growth with aggregates, concrete and construction solutions. Lafarge Zambia is positioned to fully capture the growth in our key markets through continuous optimisation of our operations and capacity expansion at both Chilanga and Ndola Plants."

Directorate:

There were no changes in the directorate during the year.

Outlook:

Demand is expected to remain strong in 2015, supported by the continued growth in the construction industry in Zambia and the DRC. The Company's 'Building Better Cities' ambition will remain at the heart of our new, innovative products and construction solutions, as well as of our corporate social responsibility programmes.

Condensed Financial Statements for the year ended 31 December 2014

Condensed Statement of Comprehensive Income for the year ended 31 December

	2014	2013
	ZMW'000	ZMW'000
Revenue	1,384,427	1,132,607
Profit before interest and tax	585,528	475,864
Net Financing/Income	6,511	17,029
Sundry Revenue	1,022	2,000
Net other gains	64,926	16,018
Profit before tax	657,987	510,912
Income tax expense	(234,068)	(172,283)
PROFIT FOR THE YEAR	423,919	338,629
Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods - Property, Plant and Equipment revaluation - net of tax	442,426	-
Total profit and Comprehensive Income for the year, net of tax	866,345	338,629
Profit Attributable to:		
Equity holders of the parent	317,940	284,611
Minority interest	105,980	54,017
Basic and Diluted Earnings Per Share (ZMW per share)	2.12	1.69

Condensed Statement of Financial Position as at 31 December

	2014	2013
	ZMW'000	ZMW'000
Net assets employed		
Property, Plant and Equipment	1,361,959	655,517
Investments	21,818	5,910
Net current assets	591,320	706,951
	1,975,097	1,368,378
Liabilities due after one year		
Provision for Environmental Liabilities	28,173	24,987
Deferred liabilities	798	993
Deferred tax	437,192	173,331
Net Current Liabilities	343,933	320,300
	1,165,002	848,766
Financed by:		
Share capital	(10,002)	(10,002)
Reserves	(1,155,000)	(838,764)
	(1,165,002)	(848,766)

Condensed Statement of Cash Flow for the year ended 31 December

	2014	2013
Net Cash from Operating Activities	426,754	401,066
Net Cash utilised in Investing Activities	(49,459)	(21,970)
Net Cash utilised for Financing Activities	(550,110)	(452,059)
Decrease in Cash and Cash Equivalents	(172,815)	(72,963)
Cash and Cash Equivalents at beginning of the year	346,485	419,448
Cash and Cash Equivalents at end of December	173,670	346,485

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