MINERALS • CHEMICALS • CEMENT

ATHI RIVER MINING LTD

UNAUDITED GROUP RESULTS
FOR THE SIX MONTHS ENDED JUNE 30, 2011

CONSOLIDATED INCOME STATEMENT	30.06.11	30.06.10	% INCREASE
	Ksh'000	Ksh'000	
Turnover	3,695,189	2,849,916	30%
Profit Before Tax	636,296	519,089	23%
Taxation	(194,400)	(171,174)	
Profit Attributable to Shareholders	441,896	347,915	27%
Annualised Earning Per Share (Ksh.)	8.92	7.02	27%

CONSOLIDATED BALANCE SHEET AS AT		30.06.11	AUDITED 31.12.10
		Ksh'000	Ksh'000
Capital and Reserves			
Share Capital		495,275	495,275
Share Premium		302,027	302,027
Capital and Other Reserves		4,276,921	3,846,300
Total Equity		5,074,223	4,643,602
Non Current Liabilities		10,400,062	8,714,838
		15,474,285	13,358,440
Assets			
Non Current Assets		13,674,123	12,324,838
Working Capital:			
Current Assets		4,553,177	4,240,061
Current Liabilities		2,753,015	3,206,459
Net Working Capital		1,800,162	1,033,602
		15,474,285	13,358,440

CONSOLIDATED CASH FLOW FOR SIX MONTHS ENDED		30.06.11	30.06.10
		Ksh'000	Ksh'000
Cash Generated before working capital changes		1,217,339	782,324
Working Capital Changes		(429,961)	(550,672)
Cash Generated from operations		787,378	231,652
Net Interest		(231,895)	(108,309)
Tax Paid		(63,445)	(51,250)
Net Cash from Operating Activities		492,038	72,093
Net Cash used in Investing Activities		(1,588,127)	(1,297,654)
Net Cash from Financing Activities		1,235,706	2,616,472
Increase/(Decrease) in Cash and Cash Equivalents		139,617	1,390,911
At start of the Period		1,198,925	812,527
		-	-
At end of the Period		1,338,542	2,203,438

2011 HALF YEAR RESULTS

The Board of Directors is pleased to announce the unaudited half year results for the Group for six months ended June 30, 2011.

Turnover for the first six months of 2011 increased by 30% to Ksh. 3.7 billion over the corresponding period last year. This was driven mainly by increased sale of Rhino Cement following the doubling of clinker manufacturing capacity at Kaloleni and commissioning of the Cement Grinding Plant at Athi River early in the year.

Profit Before Tax increased to Ksh. 636 million .Net profit margin remained constant at 12.2 % despite an unrealized exchange loss of Ksh 110 Million, reflecting increased operational efficiencies on higher turnover. Earnings per share on an annualized basis increased by 27% from Ksh. 7.02 per share in 2010 to Ksh. 8.92 per share.

TANZANIA CEMENT PROJECT PROGRESS

Construction of the1.5 million tons per year cement plant at Tanga and Dar es Salaam, is progressing as per schedule. Whilst the integrated clinker and cement plant at Tanga is scheduled to be commissioned in the 4th quarter of 2012, the cement grinding plant at Dar es Salaam is expected to commence commercial operations in the 1st quarter of next year.

OUTLOOK

Demand for all the Company's products remains strong. The Company has taken measures to counter the impact of higher input costs, depreciation of local currency, the highly competitive market environment and the effect of the drought on the economy.

DIVIDEND

The Board of Directors does not recommend an interim dividend for the year.

By Order of the Board

R. R. Vora
Company Secretary
August 5, 2011