

# Caribbean Cement Company Limited

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Results For The Six Months Ended 30th June, 2000

The Directors of The Caribbean Cement Company Limited Report The Consolidated Unaudited Results For The Six Months Ended 30th June, 2000

	Unaudited 2000	Unaudited 1999
SALES (TONNES)	327,088	297,587
TURNOVER	1,677.78	1,456.06
OPERATING PROFIT/(LOSS) AFTER CHARGING	283.08	(798.59)
DEPRECIATION	89.77	125.83
INTEREST EXPENSE	30.70	482.45
INTEREST INCOME	(7.44)	-
EXCHANGE LOSS/(GAIN)	<u>19.42</u>	<u>59.96</u>
EXCEPTIONAL ITEM	0	43.54
NET PROFIT/(LOSS) BEFORE TAX	283.06	(842.13)
DEFERRED TAXATION	<u>(39.04)</u>	<u>0</u>
NET PROFIT/(LOSS) AFTER TAX	<u>244.02</u>	<u>(842.13)</u>
	CENTS	CENTS
EARNINGS/(LOSS) PER STOCK UNIT	28.67	(200.00)

## NOTES

- 1). In 1999 the Group adopted IAS 12. in accounting for deferred taxes. The deferred tax charge for the six months is lower than that reported in the first quarter. due to the latter being a conservative estimate while the charge for the six months is a precise calculation.

- 2). Exceptional item represents redundancy cost incurred.
- 3). The profit of \$244.02 million is inclusive of the subsidiary companies' results. Jamaica Gypsum & Quarry Ltd made an operating profit of \$17.8 million, while Rockfort Mineral Bath Complex Ltd which was sublet during the first quarter suffered a loss of \$0.1 million.
- 4). The reduction in interest expense is due to refinancing of loans and lease/purchase arrangement entered into during 1999 post acquisition period.
- 5). In complying with IAS 2 - Inventories, work in progress and finished goods are valued at standard cost derived from the company's annual budget and regularly compared with actual costs and net realisable value. Due to relatively low production in the second quarter. the standard unit costs were increased over the first quarter.  
The effect of the change is to increase Net Profit after Tax by \$28.7M.

#### **CHAIRMAN'S STATEMENT ON HALF YEAR PERFORMANCE**

The Caribbean Cement Company Group's performance for the period was fair having been impacted by a series of equipment failures in the second quarter of the year. These problems were resolved in June and the production is now very good with stock levels of clinker and cement representing over five weeks supply.

Jamaica Gypsum & Quarries Limited continued on its trend of improvement providing a profit of \$17.8 million for the period.

The results of \$244.02 million after tax, compares exceptionally well with the loss of \$842.13 million for the same period in 1999 when major transitions were initiated to make the Company viable.

The third quarter has started quite well with good plant performance. Dumped cement has entered the market and this is the subject of a complaint lodged with the Anti-Dumping Commission.

Performance in the second half of the year is expected to exceed the results at June 2000.

Arthur Lok Jack  
Chairman

August 2, 2000

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