

TRINIDAD CEMENT LIMITED

TRINIDAD CEMENT LIMITED

CONSOLIDATED QUARTERLY INTERIM FINANCIAL REPORT AS OF SEPTEMBER 30, 2000

Condensed Income Statement

TT \$000

	UNAUDITED THREE MTHS JUL-SEP 2000	UNAUDITED THREE MTHS JUL-SEP 1999	UNAUDITED NINE MTHS JAN-SEP 2000	UNAUDITED NINE MTHS JAN-SEP 1999	AUDITED YEAR JAN-DEC 1999
REVENUE	281,555	242,204	849,525	599,537	836,109
OPERATING PROFIT	70,727	70,090	256,981	187,362	298,670
Depreciation	18,120	15,389	59,376	40,147	56,997
Finance cost - net	23,439	52,266	80,602	97,256	138,764
Profit before taxation	29,168	2,435	117,003	49,959	102,909
Taxation	8,111	(1,217)	26,933	8,028	25,536
Profit after taxation	21,057	3,652	90,070	41,931	77,373

Minority interest	1,407	1,699	12,398	(340)	7,178
GROUP NET PROFIT	19,650	1,953	77,672	42,271	70,195
Earnings per Ordinary stock unit Cents - Basic & Diluted	8	1	36	20	34
Dividends per Ordinary stock unit cents			8	6	12
Weighted Average Shares ('000)	218,432	209,480	218,432	209,480	209,480

CHAIRMAN'S STATEMENT

Revenue for the nine months 5nd quarter ended September 30 increased by \$250 M (or 42%) and \$39.3M (or 16%) respectively over the corresponding periods in the prior year. Cement demand was especially strong in our markets of Trinidad, Jamaica and Barbados. Our pre-mixed concrete business In Trinidad also benefited from buoyant demand conditions with revenue increasing by 75% over the corresponding period last year, Our packaging companies also surpassed prior period revenue levels.

Operating Profit for the nine months ended September 30 increased by \$70m (or 37%). The current period benefited from normal pricing in the Trinidad cement market compared with the prior year period when prices were heavily discounted. Group Net Profit for the nine months and quarter ended September 30 increased by S35m (or 84%) and S17.7m (or 906%) respectively.

Earnings Per Share (EPS) for the year to date is 36 cents, an increase of 80% over the 20 cents earned for the comparable period last year, We will not achieve our projectecd EFS for the full year due to the delay with our Rights Issue and lower than expected profit from Caribbean Cement Company Limited (CCCL). Our current forecast is for an EPS oF 46 cents which, once achieved, will be 35% above last year.

Finance cost for the nine months and quarter ended September 30 decreased by \$16M (or 17%) and \$28.9m (or 55%) respectively reflecting the restructuring at CCCL and the impact of elimination of equivalent debt with the proceeds of our Rights Issue which, although delayed, was completed in July and raised \$201.4m with the issue of 40,284,699 additional ordinary shares.

We have made substantial progress in the turn around of CCCL returning the company to profitability However, we continue to be plagued by technical problems especially with the coal preparation equipment that are taking us longer then expected to resolve. Consequently, we have been unable to achieve our targeted reduction in cLst of production per tonne so that the profits emanating from our Jamaican

subsidiary, whilst substantially above last year, are below our expectations.

Your Board has taken steps to ensure that these engineering problems at CCCL will soon be resolved resulting in CCCL meeting its targeted cost of production. thereby making a positive contribution not only to its own EPS but to the EPS of the TCL Group.

Consolidated Balance Sheet

	TT\$000 UNAUDITED 30.09.2000	TT\$000 UNAUDITED 31.12.1999
Non-Current Assets	2,052,492	2,120,695
Current Assets	420,341	350,814
Current Liabilities	(362,949)	(343,797)
Non-Current Liabilities	<u>(1,168,319)</u>	<u>(1,397,851)</u>
Total Net Assets	<u>4,004,101</u>	<u>4,213,147</u>
Share Capital	461,012	267,706
Reserves	247,380	208,014
Shareholders' Equity	708,392	475,720
Minority Interests	91,334	86,311
Deferred Income	<u>141,839</u>	<u>167,840</u>
Group Equity	<u>941,565</u>	<u>729,871</u>

Trinidad Cement Limited

Consolidated Statement of Changes in Equity

TT\$ '000	Share Revaluation Capital	Currency Surplus Translation Account	Retained Shareholders Earnings	Shareholders Equity
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Account**Nine months ended September 2000**

Balance at 1 January, 2000	267,706	4,899	(7,499)	210,624	475,720
Rights issue net of expenses	193,306				193,306
Currency translation difference	-	-	(18,348)	-	(18,348)
Net Profit for the nine months	-	-	-	77,672	77,672
Dividend	-	-	-	(19,958)	(19,958)
Balance at 30 September 2000	<u>461,012</u>	<u>4,899</u>	<u>(25,847)</u>	<u>268,338</u>	<u>708,392</u>

Nine months ended 30 September 1999

Balance at 1 January 1999	267,706	4,889	5,750	111,432	389,777
Effective of change in accounting policy	-	-	-	-	-
-IAS 19 (revised) - Employee benefits	-	-	-	54,135	54,135
Restated balance at 1 January 1999	<u>267,706</u>	<u>4,889</u>	<u>5,750</u>	<u>165,567</u>	<u>443,912</u>
Net profit for the nine months	-	-	-	42,271	42,271
Dividend	-	-	-	(12,569)	(12,569)
Balance at 30 September 1999	<u>267,706</u>	<u>4,889</u>	<u>5,750</u>	<u>195,269</u>	<u>473,614</u>

Year ended 31 December 1999

Balance at 1 January 1999	267,706	4,889	5,750	111,432	389,777
Effective of change in accounting policy					
-IAS 19 (revised) - Employee benefits	-	-	-	54,135	54,135
Restated balance at 1 January 1999	<u>267,706</u>	<u>4,889</u>	<u>5,750</u>	<u>165,567</u>	<u>443,912</u>
Currency translation difference	-	-	(13,249)	-	(13,249)
Net profit for the year	-	-	-	70,195	70,195
Dividends	-	-	-	(25,138)	(25,138)
Balance at 31 December 1999	<u>267,706</u>	<u>4,889</u>	<u>(7,499)</u>	<u>210,624</u>	<u>475,720</u>

Consolidated Cash Flow Statement

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UNAUDITED	UNAUDITED	AUDITED
9 Months	9 Months	Year
Ended	Ended	Ended

Profit before taxation and minority interests	117,003	49,959	102,909
Adjustment for non-cash items	<u>41,524</u>	<u>32,694</u>	<u>(2,256)</u>
	158,527	82,653	100,653
Changes in working capital	<u>(130,468)</u>	<u>(51,953)</u>	<u>(122,233)</u>
Net cash generated by operating activities	28,059	30,700	21,580
Net cash used in investing activities	(53,612)	(327,281)	(363,212)
Net cash generated by financing activities	<u>13,593</u>	<u>318,110</u>	<u>417,521</u>
(Decrease)/increase in cash and short term funds	(11,960)	21,529	32,329
Cash and short term funds beginning of period	<u>38,613</u>	<u>5,884</u>	<u>5,884</u>
Cash and short term funds - end of period	<u>26,653</u>	<u>27,413</u>	<u>38,613</u>

Notes:

1. Accounting Policies

These consolidated interim condensed financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the financial statements for the year ended December 31, 1999.

2. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary share in issue during the period. The weighted average number of shares issued as a result of the rights issue.

3. Share Capital

As a result of the rights issue the share capital of the company increased by 40,284,6999 shares to 249,765,136 ordinary shares.

