

# Caribbean Cement Company Limited

UNAUDITED RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2003

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## DIRECTORS' STATEMENT

The performance of the first quarter of 2003 reflects an J\$80 million increase in revenue to J\$974 million or 9% above the corresponding period last year. The revenue increase is a direct result of a change in the sales mix as well as a price increase that was introduced to compensate for the significant deterioration of the Jamaican dollar exchange rate.

As previously reported to shareholders, major overhauI work was planned for the first quarter and in particular Kiln 4 production line. This major work, costing approximately US\$3 million was successfully completed and has since had positive impact on our production efficiencies and significantly improved our enviromental progamme.

As a result of the planned stop of Kiln 4, clinker production in the first quarter of 124,669MT was 11% below the corresponding period last year. This was largely responsible for a decline in operating profit from J\$182 million to J\$156 million and operating profit/revenue ratio from 20% to 16%.

The profit before taxation was significantly reduced from J\$158 million to J\$73 million, due to the impact of the rapidly depreciating dollar on our foreign denominated liabilities.

### **Outlook**

For the remainder of this year, we will continue our drive to increase our production efficiencies and continue in our efforts to ensure that fair trading practices are enforced.

**CONSOLIDATED PROFIT & LOSS ACCOUNT**

	J\$'000 Unaudited Qtr Ended March 31, 2003	J\$'000 Unaudited Qtr Ended March 31, 2002	J\$'000 Audited Year Ended December 31, 2002
SALES (CEMENT TONNES)	152,308	153,519	625,329
REVENUE	<u>973,776</u>	<u>893,369</u>	<u>3,676,266</u>
OPERATING PROFIT	155,535	181,772	640,317
Finance Cost - Net      Note 2	<u>(82,462)</u>	<u>(23,647)</u>	<u>(114,234)</u>
Profit before Taxation	73,073	158,125	526,083
Taxation	<u>(30,107)</u>	<u>(45,142)</u>	<u>(151,311)</u>
GROUP NET PROFIT AFTER TAXATION	42,966	112,983	374,772
Earnings per ordinary stock unit	=====		
Cents - Basic & Diluted	5	13	44
Operating Profit/Revenue Ratio	16%	20%	17%

**CONSOLIDATED BALANCE SHEET**

	J\$'000 Unaudited Qtr Ended March 31, 2003	J\$'000 Unaudited Qtr Ended March 31, 2002	J\$'000 Audited Year Ended December 31, 2002
Non-Current Assets	2,354,909	2,317,906	2,285,341
Current Assets	1,123,814	1,050,992	1,254,060
Current Liabilities	(1,379,801)	(1,514,047)	(1,483,307)
Non-Current Liabilities	(159,164)	(106,073)	(130,859)
Total Net Assets	<u>1,939,758</u>	<u>1,748,778</u>	<u>1,925,235</u>
Share Capital	425,569	425,569	425,569
Reserves	786,006	481,251	743,040
Shareholders Equity	<u>1,211,575</u>	<u>906,820</u>	<u>1,168,609</u>
Deferred Gain	728,183	841,958	756,626
Group Equity	<u>1,939,758</u>	<u>1,748,778</u>	<u>1,925,235</u>

**CONSOLIDATED CASH FLOW STATEMENT**

J\$'000                      J\$'000                      J\$'000

	Unaudited Qtr Ended March 31, 2003	Unaudited Qtr Ended March 31, 2002	Audited Year Ended December 31, 2002
Group Net Profit after Taxation	42,966	112,983	374,772
Adjustment for non-cash items	54,507	65,201	226,879
	97,473	178,184	601,651
Change in working capital	(142,967)	(120,660)	(108,976)
Net cash (used in)/generated by operating activities	(45,494)	57,524	492,675
Net cash used in investing activities	(128,763)	(48,327)	(159,919)
Net cash (used in)/generated by financing activities	(60,024)	61,427	(94,805)
(Decrease)/Increase in cash and short term funds	(234,281)	70,324	237,951
Cash and short term funds - beginning of period	156,577	(81,374)	(81,374)
Cash and short term funds - end of period	(77,704)	(11,050)	156,577

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	J\$'000 Unaudited Qtr Ended March 31, 2003	J\$'000 Unaudited Qtr Ended March 31, 2002	J\$'000 Audited Year Ended December 31, 2002
Balance at beginning of period	1,168,609	793,837	793,837

Net profit for period	42,966	112,983	374,772
Dividends	-	-	-
Balance at end of period	<u>1,211,575</u>	<u>906,820</u>	<u>1,168,609</u>

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