

# TRINIDAD CEMENT LIMITED

## Consolidated Interim Financial Report For The Six Months Ended 30th June, 2003

---

### CONSOLIDATED STATEMENT OF EARNINGS

| TT \$'000              | UNAUDITED       |                 | AUDITED          |
|------------------------|-----------------|-----------------|------------------|
|                        | HALF YEAR ENDED | HALF YEAR ENDED | YEAR ENDED       |
|                        | 30 JUNE         | 30 JUNE         | 31 DECEMBER      |
|                        | 2003            | 2002            | 2002             |
| REVENUE                | <u>583,251</u>  | <u>554,462</u>  | <u>1,131,814</u> |
| OPERATING PROFIT       | 135,901         | 133,389         | 251,051          |
| Finance cost-net       | <u>(48,824)</u> | <u>(44,950)</u> | <u>(86,468)</u>  |
| Profit before Taxation | 87,077          | 88,430          | 164,583          |
| Provision for Taxation | <u>(19,919)</u> | <u>(20,086)</u> | <u>(15,619)</u>  |
| Profit after Taxation  | 67,158          | 68,353          | 148,964          |
| Extraordinary Items    | -               | -               | -                |
| Minority Interest      | <u>(7,139)</u>  | <u>(8,012)</u>  | <u>(15,628)</u>  |

|  |        |        |         |
|--|--------|--------|---------|
| Profit Attributable to Shareholders                                      | 60,019 | 60,341 | 122,229 |
|  | =====  | =====  | =====   |
| Earnings per Share-basic and diluted<br>before Extraordinary items-cents | 25     | 25     | 65      |
| Earnings per Share-basic and diluted<br>after Extraordinary Items- cents | 25     | 25     | 50      |
| Dividends per Ordinary Share-cents                                       | 8      | 8      | 18      |

## **CHAIRMAN'S STATEMENT**

### **Performance**

Group Net Profit for the half-year 2003 was \$60.0 million, of which \$40.4 million was earned in the second quarter 2003, representing a 32% improvement over the second quarter of 2003.

Continued buoyant cement sales, especially in Trinidad and Tobago, and very high plant productivity, especially in Jamaica and Barbados, contributed to the excellent second quarter performance.

The Earnings Per Share for the half year 2003 was impacted by higher fuel costs at our plant in Barbadoes due to a temporary interruption in supplies from Venezuela, planned Kiln upgrades in the first quarter and losses due to depreciation of the Jamaican dollar.

### **Outlook**

The Group expects that growth will continue in the second half-year as domestic and regional cement markets continue to be buoyant and major projects such as Atlant LNG come on stream. In addition, efficiencies continue to accrue from the plant upgrades completed during the first quarter in Jamaica and Barbadoes. There has been a rise in economic and construction activity in our regional markets. The Jamaican dollar appears to have stabilized following intervention by the Government and the group continues to pursue measures to ensure fair trading practises.

Based on these factors, the EPS for 2003 is expected to be higher than that of 2002, barring any unforeseen circumstances.

**Dividend**

An interim dividend of eight (8) cents per ordinary share unit will be paid on October 3, 2003 to shareholders on the register of members at the close of business on September 19, 2003. The register will be closed from September 22, 2003 to September 24, 2003 inclusive.

David Dualal-Whiteway  
Group Chairman

**CONSOLIDATED BALANCE SHEET**

TT \$'000

|                         | <b>UNAUDITED<br/>HALF YEAR ENDED<br/>30 JUNE</b> | <b>AUDITED<br/>YEAR ENDED<br/>31 DECEMBER</b> |
|-------------------------|--|---|
|                         | <b>2003</b>                                      | <b>2002</b>                                   |
| Non-Current Assets      | 1,795,172  | 1,888,222                                     |
| Current Assets          | 470,668  | 429,137                                       |
| Current Liabilities     | (314,217)  | 320,850                                       |
| Non-Current Liabilities | (1,001,385)                                      | (1,059,256)                                   |
| Total Net Asset         | <u>950,238</u>                                   | <u>937,245</u>                                |
| Share Capital           | 466,206  | 466,206                                       |
| Reserves                | 309,356  | 263,951                                       |
| Shareholders' Equity    | <u>775,562</u>                                   | <u>730,157</u>                                |
| Minority Interest       | 99,582   | 103,058                                       |
| Deferred income         | 74,994   | 104,030                                       |
| Group Equity            | <u>950,238</u>                                   | <u>937,245</u>                                |

=====

**CONSOLIDATED STATEMENT OF CHANGE IN EQUITY**

TT \$'000

|                                     | <b>UNAUDITED</b>       | <b>UNAUDITED</b>       | <b>AUDITED</b>     |
|-------------------------------------|------------------------|------------------------|--------------------|
|                                     | <b>HALF YEAR ENDED</b> | <b>HALF YEAR ENDED</b> | <b>YEAR ENDED</b>  |
|                                     | <b>30 JUNE</b>         | <b>30 JUNE</b>         | <b>31 DECEMBER</b> |
|                                     | 2003                   | 2002                   | 2002               |
| Balance at beginning of period      | 768,792                | 699,022                | 699,022            |
| Settlement of options contract      | -                      | -                      | -                  |
| Currency translation difference     | (28,273)               | (11,722)               | (15,431)           |
| Unallocated ESOP shares             | -                      | -                      | 437                |
| Profit attributable to shareholders | 60,019                 | 60,341                 | 122,229            |
| Dividends                           | <u>(24,976)</u>        | <u>(17,484)</u>        | <u>(37,465)</u>    |
| Balance at end of period            | <u>775,562</u>         | <u>730,157</u>         | <u>768,792</u>     |

**CONSOLIDATED CASH FLOW STATEMENT**

TT \$'000

|  | <b>UNAUDITED</b>       | <b>UNAUDITED</b>       | <b>AUDITED</b>     |
|--|------------------------|------------------------|--------------------|
|  | <b>HALF YEAR ENDED</b> | <b>HALF YEAR ENDED</b> | <b>YEAR ENDED</b>  |
|  | <b>30 JUNE</b>         | <b>30 JUNE</b>         | <b>31 DECEMBER</b> |
|  | 2003                   | 2002                   | 2002               |

|  |                 |                 |                  |
|--|-----------------|-----------------|------------------|
| Profit before taxation                         | 87,077          | 88,439          | 164,583          |
| Adjustment for non-cash items                  | 81,377          | 67,414          | 186,606          |
| Changes in working capital                     | <u>(67,080)</u> | <u>(12,608)</u> | <u>(17,440)</u>  |
|  | 101,374         | 143,245         | 333,749          |
| Extraordinary items                            | -               | -               | (11,107)         |
| Net Interest and taxation Paid                 | <u>(51,426)</u> | <u>(55,396)</u> | <u>(132,978)</u> |
| Net cash generated by operating activities     | 49,948          | 87,849          | 189,664          |
| Net cash used in investing activities          | (44,446)        | (24,800)        | (57,161)         |
| Net cash used in financing activities          | <u>(51,416)</u> | <u>(40,746)</u> | <u>(86,308)</u>  |
| Increase/decrease in cash and short term funds | (45,914)        | (22,303)        | 46,195           |
| Cash and short term funds- beginning of period | (5,202)         | (52,053)        | 52,053           |
| Currency adjustment- opening balance           | <u>2,661</u>    | <u>(605)</u>    | <u>656</u>       |
| Cash and short term funds-end of period        | <u>(48,455)</u> | <u>(30,355)</u> | <u>(5,202)</u>   |
|  | =====           | =====           | =====            |

#### Note

##### 1. Accounting Policies

Accounting policies used in the preparation of these financial statements are consistent with those used in the audited financial statements for the year ended December 31, 2002

##### 2. Earnings Per Share

Earnings per share (EPS) for 2003 is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares in issue for the year has been determined, in accordance with best practice, by deducting from the total number of issued shares of 249.765M, the 6.16M shares that were held as unallocated shares by our ESOP.