

# TRINIDAD CEMENT LIMITED

## CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE QUARTER ENDED 31 MARCH 2004

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### Consolidated Statement Of Earnings

	UNAUDITED		AUDITED
	Three Months		Twelve months
	January to March		Jan- Dec
	2004	2003	2003
REVENUE	330,825	285,002	1,155,671
OPERATING PROFIT	75,814	56,655	263,956
Finance costs - net	(30,498)	(26,945)	(90,709)
Profit before taxation	45,316	29,710	173,247
Provision for Taxation	(10,486)	(8,297)	(36,061)
Profit after taxation	34,830	21,413	137,186
Minority Interest	(4,059)	(1,832)	(15,745)
Profit Attributable to Shareholders	30,771	19,581	121,441
Earnings per Share -basic and diluted	13	8	50
Dividends per Ordinary Share, cents	-	-	18

## **CHAIRMAN'S STATEMENT**

### **PERFORMANCE**

Earnings per Share (EPS) for our 2004 first quarter increased by 63% compared with the prior year period. This performance was driven by buoyant demand for cement in all our domestic markets of Barbados, Trinidad and Tobago and especially Jamaica, where prior period volumes were exceeded by 33%. The export cement market and premix concrete markets were buoyant with sales volumes surpassing that of the prior year period. The comparison with the prior year period was also impacted positively by the absence in 2004 of substantial foreign currency losses and the costs of major planned kiln stops that affected the results for 2003.

In the 2004 first quarter, the Group produced 15 % more cement and 19% more clinker as all three cement plants exceeded their cement and clinker prior year production levels.

Net Finance costs show an increase of \$3.6m, although total borrowings declined by \$23.9m in the quarter. This is as a result of the disposal of fixed income securities in December 2003 with the consequential reduction in Interest Income going forward. The proceeds were used to pay for the re-acquisition of plant that was being used under a lease arrangement in Jamaica. The Group's Operating profit will benefit overall from this transaction as the finance cost and depreciation will be fully off-set by the elimination of lease expenses.

Net Cash generated by Operating activities was 859.3M, a significant Improvement over the \$4.4M generated In the prior year period.

### **OUTLOOK**

Developmental work on the capacity upgrade project at TCL In Trinidad and CCCL In Jamaica is ongoing as part of the Group's continued thrust to improve competitiveness through reduction of operating costs and improved operational efficiencies.

The final determination in Jamaica of the quantum of Safeguard duties, that will apply for three years, has been deferred to a period not exceeding 90 days from the previously scheduled date of April 13, 2004. In the meantime the preliminary rate of 25.83% will continue to apply. Nonetheless, the Group expects that cement demand will continue to be strong in Jamaica as well

as in other domestic markets and in our export markets. Accordingly, your Board of Directors is optimistic that the 2004 full year results will be better than that recorded for 2003.

**David Dulal- Whiteway**  
**Group Chairman**  
**April, 30, 2004**

### **Consolidated Balance Sheet**

<b>TT\$ '000</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>31.03.2004</b>	<b>31.03.2003</b>	<b>31.12.2003</b>
Non-Current Assets	1,738,118	1,808,884	1,750,896
Current Assets	483,907	457,303	488,535
Current Liabilities	(322,745)	(318,663)	(368,450)
Non-Curront Liabilities	(960,312)	(1,009,362)	(965,379)
Total Net Assets	<u>938,968</u>	<u>938,162</u>	<u>905,602</u>
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Share Capital	466,206	466,206	466,206
Reserves	365,423	294,973	338,228
Shareholders' Equity	<u>831,629</u>	<u>761,179</u>	<u>804,434</u>
Minority Interests	107,339	95,178	101,168
Deferred Income	-	81,805	-
Group Equity	<u>938,968</u>	<u>938,162</u>	<u>905,602</u>
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### **Consolidated Statement of Changes in Equity**

	<b>UNAUDITED QUARTER ENDED</b>	<b>UNAUDITED QUARTER ENDED</b>	<b>AUDITED YEAR ENDED</b>
	31.03.2004	31.03.2003	31.12.2003
Balance at beginning of period	804,434	765,329	765,329
Currency translation difference	(3,576)	(23,731)	(38,207)
Unallocated ESOP shares	-	-	829
Profit attributable to shareholders	30,771	19,581	121,441
Dividends	-	-	(44,958)
Balance at end of period	<u>831,629</u>	<u>761,179</u>	<u>804,434</u>
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## Consolidated Cash Flow Statement

<b>TT\$ '000</b>	<b>UNAUDITED 31.03.2004</b>	<b>UNAUDITED 31.03.2003</b>	<b>AUDITED 31.12.2003</b>
Profit before taxation	45,316	29,710	173,247
Adjustment for non-cash items	61,981	45,084	187,750
Changes In working capital	<u>(11,540)</u>	<u>(47,829)</u>	<u>(91,409)</u>
	95,757	26,965	269,588
Net Interest and taxation paid	<u>(36,492)</u>	<u>(22,597)</u>	<u>(128,102)</u>
Net cash generated by operating activities	59,265	4,368	141,486
Net cash used in investing activities	(23,157)	(22,071)	(487,363)
Net cash used in financing activities	<u>(14,221)</u>	<u>(14,134)</u>	<u>267,620</u>
Increase/(decrease) in cash and short term funds	21,887	(31,837)	(78,257)
Cash and short term funds -beginning of period	(85,715)	(5,202)	(5,202)
Currency adjustment - opening balance	89	1,848	(2,256)
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Cash and short term funds -end of period	(63,739)	(35,191)	(85,715)
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**Notes:**

**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, 2003.

**2. Earnings Per Share**

Earnings per share (EPS) for 2004 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 6.123M (2001 6.281M) shares that were hold as unallocated shares by our ESOP

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