



**CARIBBEAN  
CEMENT  
COMPANY  
LIMITED**

**CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE SIX MONTHS ENDED 30TH JUNE 2005**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

J\$'000	UNAUDITED 3 Months 30.06.2005	UNAUDITED 3 Months 30.06.2004	UNAUDITED 6 Months 30.06.2005	UNAUDITED 6 Months 30.06.2004	AUDITED Year Ended 31.12.2004
SALES (CEMENT TONNES)	229,833	192,470	461,182	395,144	803,855
<b>REVENUE</b>	<b>1,556,522</b>	<b>1,304,303</b>	<b>3,096,172</b>	<b>2,689,171</b>	<b>5,452,759</b>
<b>OPERATING PROFIT</b>	<b>189,680</b>	<b>176,529</b>	<b>412,316</b>	<b>430,386</b>	<b>888,777</b>
Finance Cost - Net	(11,426)	(13,646)	(15,854)	(42,935)	(29,765)
<b>Profit Before Taxation</b>	<b>178,254</b>	<b>162,883</b>	<b>396,462</b>	<b>387,451</b>	<b>859,012</b>
Taxation	(39,330)	(32,283)	(102,683)	(93,466)	(16,651)
<b>GROUP NET PROFIT AFTER TAXATION</b>	<b>138,924</b>	<b>130,600</b>	<b>293,779</b>	<b>293,985</b>	<b>842,361</b>
Earnings per ordinary stock unit					
Cents - Basic & Diluted	16.32	15.34	34.52	34.54	98.97
Operating Profit/Revenue Ratio	12%	14%	13%	16%	16%

**DIRECTORS' STATEMENT**

During the six month period to June 2005, the volume of cement sales increased by 17% and revenue increased by 15% over the corresponding period last year. Net profit after tax amounted to \$293.8M compared to \$294.0M reported for the corresponding period in 2004.

Significant increases in costs were experienced in areas such as fuel, electricity, spares and maintenance due to major increases in oil, steel and freight prices in the world market. In addition, local labour costs increased in accordance with negotiated collective agreements.

The net effect of the increases in revenues and costs has been a 3 percentage point reduction in the operating margin (Operating Profit to Revenue Ratio) down from 16% to 13% compared to the corresponding period in 2004.

Carib Cement Plus, our new product that was launched in the first quarter, continues to penetrate the market and represented 68% of market demand in June 2005.

The cash position declined during the six month period as a result of increases in both inventories and accounts receivable.

**Outlook**

We expect that the price adjustment (average 5%), implemented on July 1, 2005, will partially offset the increases in operating costs and, together with continued high sales volumes, will result in an improved operating margin.

Discussions have been concluded with financiers for the financing of the Expansion and Modernization Project. On July 22, 2005, a loan agreement was signed between our parent company, Trinidad Cement Limited, and the International Finance Corporation.

Design work for the Expansion and Modernization Project is at an advanced stage and site preparation will begin within the last quarter of the year.

**Brian Young**  
Chairman  
July 29, 2005

**Dr. Rollin Bertrand**  
Director/Group CEO  
July 29, 2005

**CONSOLIDATED BALANCE SHEET**

J\$' 000	UNAUDITED 30.06.2005	UNAUDITED 30.06.2004	AUDITED 31.12.2004
Non-Current Assets	2,905,034	2,409,095	2,939,680
Current Assets	1,665,221	1,547,599	1,517,678
Current Liabilities	(1,332,609)	(1,220,538)	(1,399,013)
Non-Current Liabilities	(289,213)	(456,514)	(287,224)
<b>Total Net Assets</b>	<b>2,948,433</b>	<b>2,279,642</b>	<b>2,771,121</b>
Share Capital	425,569	425,569	425,569
Reserves	2,050,675	1,268,109	1,816,476
<b>Shareholders' Equity</b>	<b>2,476,244</b>	<b>1,693,678</b>	<b>2,242,045</b>
Deferred Gain	472,189	585,964	529,076
<b>Group Equity</b>	<b>2,948,433</b>	<b>2,279,642</b>	<b>2,771,121</b>

**CONSOLIDATED CASH FLOW STATEMENT**

J\$' 000	UNAUDITED 6 Months 30.06.2005	UNAUDITED 6 Months 30.06.2004	AUDITED Year Ended 31.12.2004
<b>Group Net Profit after Taxation</b>	<b>293,779</b>	<b>293,985</b>	<b>842,361</b>
Adjustment for non-cash items	183,682	150,611	143,897
	477,461	444,596	986,258
Change in working capital	(586,712)	(276,073)	(423,867)
Net cash (Used in)/generated by operating activities	(109,251)	168,523	562,392
Net cash (Used in)/provided by investing activities	(103,239)	(125,501)	(349,994)
Net cash generated by financing activities	(61,959)	(16,103)	(138,005)
(Decrease)/Increase in cash and short term funds	(274,449)	26,919	74,393
Cash and short term funds - beginning of period	21,748	(52,645)	(52,645)
<b>Cash and short term funds - end of period</b>	<b>(252,701)</b>	<b>(25,726)</b>	<b>21,748</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

J\$' 000	UNAUDITED 6 Months 30.06.2005	UNAUDITED 6 Months 30.06.2004	AUDITED Year Ended 31.12.2004
<b>Balance at beginning of period</b>	<b>2,242,045</b>	<b>1,459,264</b>	<b>1,459,264</b>
Net Profit for period	293,779	293,985	842,361
Dividends	(59,580)	(59,571)	(59,580)
<b>Balance at end of period</b>	<b>2,476,244</b>	<b>1,693,678</b>	<b>2,242,045</b>

**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, 2004.