



**CARIBBEAN
CEMENT
COMPANY
LIMITED**

CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2007

CONSOLIDATED STATEMENT OF EARNINGS

J\$'000	UNAUDITED 3 Months Ended 30.06.2007	UNAUDITED 3 Months Ended 30.06.2006	UNAUDITED 6 Months Ended 30.06.2007	UNAUDITED 6 Months Ended 30.06.2006	AUDITED Year Ended 31.12.2006
SALES (CEMENT TONNES)	200,974	229,230	409,427	442,598	843,295
REVENUE	1,823,011	1,747,249	3,669,540	3,259,104	6,730,968
Operating profit/(loss) before cement claims	218,056	(48,771)	418,197	(134,937)	422,215
Cement claims Note 1	—	—	—	(160,000)	(304,539)
OPERATING PROFIT/(LOSS)	218,056	(48,771)	418,197	(294,937)	117,676
Finance costs – net	(51,234)	(32,517)	(77,132)	(84,360)	(58,867)
Profit/(loss) Before Taxation	166,822	(81,288)	341,065	(379,297)	58,809
Taxation	(44,641)	37,614	(89,278)	144,995	18,357
GROUP NET PROFIT/(LOSS) AFTER TAXATION	122,181	(43,674)	251,787	(234,302)	77,166
Earnings per ordinary stock unit					
Cents – Basic & Diluted	14.4	(5.1)	29.6	(27.5)	9.1
Operating Profit/Revenue Ratio	12%	(3%)	11%	(4%)	6%

DIRECTORS' STATEMENT

The Group earned a consolidated profit after tax of \$251.8 million for the six month period to June 2007, compared to a loss of \$234.3 million in the corresponding prior year period. The prior period loss included a provision of \$160 million for claims relating to the inadvertent release of non-conforming cement to the market. Operating profit before cement claims and finance costs improved from a loss of \$134.9 million in 2006 to a profit of \$418.2 million in 2007, an improvement of \$553.1 million. This improvement was influenced by both internal cost reductions and price adjustments to recover external cost movements, which included international fuel prices and movement in exchange rates.

Sales volume for the six months to June 2007 declined by 8% over the prior year period and for the three months to June 2007 it declined by 4% when compared to the March 2007 quarter. This reduction is due to a decline in the market and the presence of imported product. "Carib Cement" continues to be the preferred brand, despite the presence in the market of cement imported "free of duty."

Construction of the new Kiln #5, the major component in our Expansion and Modernisation Program, is 67% complete and remains on schedule for commissioning in 2008. The project is jointly funded with our parent company Trinidad Cement Limited. Disbursement to the project by Caribbean Cement Company Limited is reflected in non-current assets.

OUTLOOK

The market for the third quarter is expected to continue to be 12%-14% below projection, while expectation for the last quarter is for an upturn. For the second half of the year, improvement in our market share is anticipated.

Improvement in financial performance is expected to continue for the year, and with the start-up of the new Kiln in 2008, further financial gains will be realised.

Brian Young
Chairman
July 27, 2007

Dr. Rollin Bertrand
Director/Group CEO
July 27, 2007

CONSOLIDATED BALANCE SHEET

J\$'000	UNAUDITED As At 30.06.2007	UNAUDITED As At 30.06.2006	AUDITED As At 31.12.2006
Non-Current Assets	4,419,513	3,947,769	4,065,304
Current Assets	2,363,417	2,190,238	2,131,216
Current Liabilities	(2,226,503)	(2,563,141)	(2,080,248)
Non-Current Liabilities	(1,613,955)	(1,099,363)	(1,368,699)
Total Net Assets	2,942,472	2,475,503	2,747,573
Share Capital Note 2	1,808,837	425,569	1,808,837
Reserves Note 2	888,997	1,691,521	637,210
Shareholders' Equity	2,697,834	2,117,090	2,446,047
Deferred Gain	244,638	358,413	301,526
Group Equity	2,942,472	2,475,503	2,747,573

CONSOLIDATED CASH FLOW STATEMENT

J\$'000	UNAUDITED 6 Months Ended 30.06.2007	UNAUDITED 6 Months Ended 30.06.2006	AUDITED Year Ended 31.12.2006
Group Net Profit/(Loss) before Taxation	341,065	(379,297)	58,809
Adjustment for non-cash items	98,355	82,986	212,875
	439,420	(296,311)	271,684
Change in working capital	224,958	490,254	(311,692)
Taxation paid	—	—	(536)
Net cash (Used in)/generated by operating activities	664,378	193,943	(40,544)
Net cash Used in investing activities	(533,263)	(432,352)	(999,043)
Net cash provided by financing activities	178,404	278,127	973,147
(Decrease)/Increase in cash and short term funds	309,519	39,718	(66,440)
Cash and short term funds – beginning of period	(73,440)	(7,000)	(7,000)
Cash and short term funds – end of period	236,079	32,718	(73,440)
Represented by:			
Cash and short-term deposits	272,666	64,382	66,638
Bank overdraft	(36,587)	(31,664)	(140,078)
	236,079	32,718	(73,440)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

J\$'000	UNAUDITED 6 Months Ended 30.06.2007	UNAUDITED 6 Months Ended 30.06.2006	AUDITED Year Ended 31.12.2006
Balance at beginning of period	2,446,047	2,351,392	2,368,881
Net Profit for period	251,787	(234,302)	77,166
Balance at end of period	2,697,834	2,117,090	2,446,047

Notes:

1. During February 2006, a quantity of non-conforming cement was inadvertently released to the market. The Company has received claims for damages from customers who used this cement in construction projects and has estimated an amount of \$304,539,000 to settle these claims.
2. In 2005, the Company elected under Section 37 of the Companies Act 2004 to have its existing shares converted into shares without nominal or par value at the end of the eighteen month period allowed. Those shares were converted during the year 2006.