

CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2009

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

JS'000	UNAUDITED Three Months Apr to Jun 2009	UNAUDITED Three Months Apr to Jun 2008	UNAUDITED Six Months Jan to Jun 2009	UNAUDITED Six Months Jan to Jun 2008	AUDITED Year Jan to Dec 2008
Sales (Cement Tonnes) - Local	166,214	195,474	343,903	392,418	720,260
Sales (Cement Tonnes) - Export	25,384	900	38,553	1,650	28,463
Sales (Clinker Tonnes) - Export	9,427	—	80,125	—	15,878
REVENUE	2,322,182	2,272,138	4,917,735	4,584,364	8,805,293
Operating profit	191,937	176,543	610,530	448,290	948,573
Interest Income	199	197	354	3,836	10,503
Interest expense	(40,353)	(10,499)	(75,530)	(24,999)	(93,716)
Finance costs - net	(39,772)	(15,259)	(238,932)	(45,547)	(293,428)
Profit before Taxation	112,011	150,982	296,422	381,580	571,932
Taxation	(26,355)	(42,200)	(80,287)	(109,648)	(155,494)
Profit after Taxation	85,656	108,782	216,135	271,932	416,438
Earnings per ordinary stock unit	10	13	25	32	49
Cents - Basic & Diluted	8%	8%	12%	10%	11%
Operating Profit/Revenue Ratio					

SEGMENT INFORMATION

JS'000	CEMENT	RAW MATERIALS	TOTAL
Third Party Revenue			
Six Months to June 2009	4,804,897	112,838	4,917,735
Six Months to June 2008	4,511,620	72,744	4,584,364
Year 2008	8,642,729	162,564	8,805,293
Segment Profit Before Tax			
Six Months to June 2009	140,338	156,084	296,422
Six Months to June 2008	312,523	69,057	381,580
Year 2008	481,641	90,291	571,932
Total Assets			
June 30, 2009	8,186,011	242,484	8,428,495
June 30, 2008	8,449,677	115,933	8,565,610
December 31, 2008	8,483,891	102,902	8,586,793

DIRECTORS' STATEMENT

The Group reports consolidated net profit after tax of \$216.14 million for the six months to June 2009. This equates to earnings per share of twenty-five cents. Operating profit of \$610.53 million for the six-month period is 36 percent better than the corresponding prior year period, however, interest cost (\$75.5m) and loss on currency exchange (\$238.9m) eroded performance resulting in net profit after tax of \$216.14 million. This is \$56 million or 21% below the result for the comparable prior year period. During the six months to June 2009 the Jamaican dollar depreciated by 10.7% when compared to the United States dollar resulting in the significant loss on currency exchange.

The current quarter reported consolidated profit after tax of \$85.66 million and operating profit of \$191.9 million. The operating profit is 8.7% better than that of the prior year comparable period despite the steadily declining local market. However, the operating profit is 54% lower than the operating profit for the first quarter of 2009. The decline in performance is due largely to Kiln 5 being taken out of service for major overhaul and the drop in local cement sales in the current quarter compared to the first. The net profit result was again negatively impacted by interest expense and loss on currency exchange.

We estimate that the market share decreased from 85% (Jan-March quarter) to 82% in the current quarter. This decline has resulted in an increase in export sales to keep the cement mills turning and mitigate adverse operating performance. Export sales of 25,384 tonnes accounted for 13% of sales volume in this quarter. Export clinker sales for the half year amounted to 80,125 tonnes, which is equivalent to 101,424 tonnes of cement exports. During the half year, imports totalling 95,000 tonnes entered Jamaica, with 25,600 tonnes coming in May and June.

The Kiln 5 that was completed in 2008 is operating efficiently, replacing the two previous kilns that were in operation. Construction of the new Mill #5 was on schedule for completion at midyear, however during commissioning one of the material storage bins was dislodged from its installation. Consequently commissioning is delayed for a few weeks, but the existing mills are more than adequate to meet current local and export cement demand.

The subsidiary company, Jamaica Gypsum and Quarries limited (JGQ), has performed exceptionally well for the six months to June 2009, achieving a profit before tax of \$156.1m which compares to \$69.1m for the corresponding prior year period. JGQ has contributed 53% of the Group profit before tax for the six months to June 2009.

Outlook

It is anticipated that both the local and export markets will remain soft for the remainder of the year and recognising the competition that exists in the local market, increasing our export sales is critical to maintaining our operating performance. In addition, we will seek legal redress with regard to "unfair competition".


Brian Young
Chairman
July 31, 2009


Dr. Rollin Bertrand
Director/Group CEO
July 31, 2009

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JS'000	UNAUDITED 30.06.2009	UNAUDITED 30.06.2008	AUDITED 31.12.2008
Non-Current Assets	5,321,811	5,614,795	5,107,890
Current Assets	3,106,684	2,950,815	3,478,903
Current Liabilities	(2,838,038)	(3,046,280)	(3,470,851)
Non-Current Liabilities	(1,972,626)	(2,148,365)	(1,657,358)
Total Net Assets	3,617,831	3,370,965	3,458,584
Share Capital	1,808,837	1,808,837	1,808,837
Reserves	1,791,906	1,431,265	1,575,771
Shareholders' Equity	3,600,743	3,240,102	3,384,608
Deferred Gain	17,088	130,863	73,976
Group Equity	3,617,831	3,370,965	3,458,584

CONSOLIDATED CASH FLOW STATEMENT

JS'000	UNAUDITED Six Months Jan to Jun 2009	UNAUDITED Six Months Jan to Jun 2008	AUDITED Year Jan to Dec 2008
Profit before Taxation	296,422	381,580	571,932
Adjustment for non-cash items	331,261	117,965	509,725
	627,683	499,545	1,081,657
Change in working capital	(639,822)	463,691	(215,370)
Taxation paid	—	—	(2,370)
Net cash (used in)/generated by operating activities	(12,139)	963,236	863,917
Net cash used in investing activities	(370,457)	(936,529)	(573,296)
Net cash provided/(repaid) by financing activities	326,239	(114,588)	(423,412)
Decrease in cash and cash equivalents	(56,357)	(87,881)	(132,791)
Cash and cash equivalents - beginning of period	(10,283)	122,508	122,508
Cash and cash equivalents - end of period	(66,640)	34,627	(10,283)
Represented by:			
Cash and short-term deposits	89,748	196,042	19,249
Bank overdraft	(156,388)	(161,415)	(29,532)
	(66,640)	34,627	(10,283)

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

JS'000	UNAUDITED Six Months Jan to Jun 2009	UNAUDITED Six Months Jan to Jun 2008	AUDITED Year Jan to Dec 2008
Balance at beginning of period	3,384,608	2,968,170	2,968,170
Net Profit for period	216,135	271,932	416,438
Balance at end of period	3,600,743	3,240,102	3,384,608

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, 2008. The Group has adopted all new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after January 01, 2009 and which are relevant to the Group's operations. The adoption of these standards and interpretations did not have any material effect on the Group's financial position or results.

2. Segment Information

Management's principal reporting and decision making are by product and accordingly the segmental information is so presented.