TRINIDAD CEMENT LIMITED

CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012

CONSOLIDATED STATEMENT OF INCOME

TT$'000	UNAUDITED Three Months Jul to Sep		UNAUDITED Nine Months Jan to Sep		AUDITED Year Jan to Dec
	2012	2011	2012	2011	2011
CONTINUING OPERATIONS:					
REVENUE	426,252	398,307	1,215,235	1,157,819	1,560,860
Earnings before interest, tax, depreciation & amortisation (EBITDA)	**88,755**	**5,779**	**122,689**	**48,337**	**84,274**
Depreciation	(33,723)	(40,145)	(106,617)	(121,018)	(170,979)
Impairment charges and write-offs	-	-	-	-	(79,386)
Operating Profit/(Loss)	**55,032**	**(34,366)**	**(16,072)**	**(72,681)**	**(166,091)**
Restructuring expenses	(3,161)	(6,186)	(43,452)	(24,500)	(103,201)
Finance costs	(61,709)	(40,300)	(172,426)	(120,790)	(187,960)
Loss before taxation from continuing operations	**(9,838)**	**(80,852)**	**(199,806)**	**(217,971)**	**(457,252)**
Taxation	554	27,266	21,443	76,653	72,823
Loss for the year from continuing operations	**(9,284)**	**(53,586)**	**(178,363)**	**(141,318)**	**(384,429)**
DISCONTINUED OPERATIONS:					
Operating loss for the year from discontinued operations	-	-	-	(717)	(1,681)
Gain on disposal of discontinued operations	-	-	-	10,169	11,092
Net Income for the year from discontinued operations	-	-	-	9,452	9,411
Loss for the period	**(9,284)**	**(53,586)**	**(178,363)**	**(131,866)**	**(375,018)**
Attributable to:					
Shareholders of the Parent	(5,974)	(42,485)	(151,272)	(105,160)	(325,315)
Non-controlling Interests	(3,310)	(11,101)	(27,091)	(26,706)	(49,703)
	(9,284)	**(53,586)**	**(178,363)**	**(131,866)**	**(375,018)**
Basic and diluted (Loss)/ Earnings per Share - cents:					
From Continuing Operations	(3)	(18)	(62)	(46)	(135)
From Discontinued Operations	-	-	-	3	3
	(3)	**(18)**	**(62)**	**(43)**	**(132)**

DIRECTORS' STATEMENT

Revenue for the 3rd quarter of 2012 increased by $27.9m (or 7%) compared with the prior year period. This was due largely to increased selling prices as total cement volume sold declined by 12%. More significantly, Earnings before Interest, Tax, Depreciation and Amortisation (Ebitda) increased by $83.0m to $88.8m reflecting a margin of 20.8% that was also aided by 8.5% increased clinker production. The Ebitda of $88.8m also represents a significant improvement in performance compared with Q2 2012 and Q1 2012 where Ebitda of $21.5m and $12.4m were recorded. Unfortunately, higher interest expense, arising from increased rates applicable under the debt restructuring agreement, and additional restructuring cost resulted in a Loss after Taxes of $9.3m for Q3 2012.

For the nine months ended September 30 2012, revenue increased by $57.4m, whilst Ebitda increased by $74.4m as a result of higher selling prices. Net Finance expense increased by $51.6m as a result of higher foreign exchange losses of $6.5m, mainly due to the depreciation of the Jamaican dollar, and higher interest rates arising from the debt restructuring agreement. Additional costs for legal services, financial advisory and stamp duty amounting to $43.5m were incurred on the debt restructuring exercise. The taxation credit has declined by $55.2m largely as a result of not recognizing any additional deferred tax asset in respect of the losses being recorded by the Jamaican plant. The net effect of all of the above is that the Group is reporting Losses Attributable to Shareholders of the Parent of $151.3m compared with $105.2m for the prior year period.

Outlook

Critical repairs and maintenance which were previously on hold are now being undertaken so that plant operations, particularly in Jamaica and Barbados, will be reliable and consistent going forward. The Trinidad plant has fully recovered from the protracted strike earlier in the year and stands to benefit from the Government of Trinidad & Tobago's construction programme as it is implemented. Export sales into markets such as Brazil, Haiti, Suriname and French West Indies are being expanded whilst price adjustments in all markets are being effected in a timely manner. Notwithstanding the foregoing, the overall business environment remains challenging, especially in Jamaica and Barbados.

Andy J. Bhajan
Group Chairman
November 2, 2012

Dr. Rollin Bertrand
Director/Group CEO
November 2, 2012

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TT$'000	UNAUDITED Three Months Jul to Sep		UNAUDITED Nine Months Jan to Sep		AUDITED Year Jan to Dec
	2012	2011	2012	2011	2011
Loss after Taxation	**(9,284)**	**(53,586)**	**(178,363)**	**(131,866)**	**(375,018)**
Currency translation	(198)	(409)	(1,199)	689	(765)
Change in fair value of swap, net of tax	-	-	-	22,984	22,984
	(9,482)	**(53,995)**	**(179,562)**	**(108,193)**	**(352,799)**
Attributable to:					
Shareholders of the Parent	(6,288)	(42,875)	(152,434)	(81,552)	(302,805)
Non-controlling Interests	(3,194)	(11,120)	(27,128)	(26,641)	(49,994)
	(9,482)	**(53,995)**	**(179,562)**	**(108,193)**	**(352,799)**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TT$'000	UNAUDITED 30.09.2012	UNAUDITED 30.09.2011	AUDITED 31.12.2011
Non-Current Assets	3,095,592	3,248,741	3,144,383
Current Assets	909,277	840,444	808,662
Current Liabilities	(630,035)	(2,280,040)	(2,390,689)
Non-Current Liabilities	(2,387,011)	(396,523)	(394,225)
Total Net Assets	**987,823**	**1,412,622**	**1,168,131**
Share Capital	466,206	466,206	466,206
Reserves	507,080	880,251	659,514
Equity attributable to Shareholders of the Parent	**973,286**	**1,346,457**	**1,125,720**
Non-controlling Interests	14,537	66,165	42,411
Total Equity	**987,823**	**1,412,622**	**1,168,131**

CONSOLIDATED STATEMENT OF CASH FLOWS

TT$'000	UNAUDITED Nine Months Jan to Sep		AUDITED Year Jan to Dec
	2012	2011	2011
Loss before Taxation from Continuing Operations	**(199,806)**	**(217,971)**	**(457,252)**
Profit before taxation from discontinued operations	-	9,452	9,411
Loss before Taxation	**(199,806)**	**(208,519)**	**(447,841)**
Adjustment for non-cash items	330,709	261,717	553,247
	130,903	53,198	105,406
Changes in working capital	1,180	22,938	55,034
	132,083	76,136	160,440
Restructuring expenses paid	(49,736)	(12,939)	(33,125)
Net Interest, taxation and pension contributions paid	(17,505)	(7,094)	(26,501)
Net cash generated by operating activities	64,842	56,103	100,814
Net cash used in investing activities	(50,928)	(18,330)	(31,175)
Net cash generated by/(used in) financing activities	45,971	40,374	(32,565)
Increase in cash and cash equivalents	59,885	78,147	37,074
Currency adjustment - opening balance	(251)	45	(59)
Net cash/(borrowings) - beginning of year	57,308	(86,565)	20,293
Net cash/(borrowings) - end of year	**116,942**	**(8,373)**	**57,308**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TT$'000	UNAUDITED Nine Months Jan to Sep	UNAUDITED Nine Months Jan to Sep	AUDITED Year Jan to Dec
	2012	2011	2011
Balance at beginning of period	**1,125,720**	**1,424,907**	**1,424,907**
Currency translation and other adjustments	(1,162)	624	(474)
Allocation to employees of ESOP shares, net of dividend	-	3,102	3,385
Change in fair value of swap, net of tax	-	22,984	22,984
Loss after taxation	(151,272)	(105,160)	(325,315)
Dividends forfeited	-	-	233
Balance at end of period	**973,286**	**1,346,457**	**1,125,720**

CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (CONTINUED)

TRINIDAD CEMENT LIMITED

SEGMENT INFORMATION

TT$'000	CEMENT	CONCRETE	PACKAGING	CONSOLIDATION ADJUSTMENTS	TOTAL
UNAUDITED NINE MONTHS JAN TO SEP 2012					
Revenue					
Total	1,297,329	97,661	60,524	-	1,455,514
Intersegment	(186,027)	-	(54,252)	-	(240,279)
Third Party	1,111,302	97,661	6,272	-	1,215,235
(Loss)/Profit before tax	(206,934)	(2,677)	5,817	3,988	(199,806)
Depreciation and impairment	104,299	4,914	1,399	(3,995)	106,617
Segment Assets	4,789,833	156,061	113,563	(1,054,588)	4,004,869
Segment Liabilities	3,795,413	59,617	34,845	(872,829)	3,017,046
Capital expenditure	45,542	5,230	156	-	50,928
UNAUDITED NINE MONTHS JAN TO SEP 2011					
Revenue					
Total	1,265,496	86,538	68,090	-	1,420,124
Intersegment	(202,093)	-	(60,212)	-	(262,305)
Third Party	1,063,403	86,538	7,878	-	1,157,819
(Loss)/Profit before tax	(222,124)	1,805	6,386	5,414	(208,519)
Depreciation	117,098	6,601	1,612	(4,293)	121,018
Segment Assets	4,741,040	161,601	114,830	(928,286)	4,089,185
Segment Liabilities	3,253,336	61,858	38,927	(677,558)	2,676,563
Capital expenditure	26,109	1,357	-	-	27,466
AUDITED YEAR JAN TO DEC 2011					
Revenue					
Total	1,691,382	116,242	91,036	-	1,898,660
Intersegment	(257,287)	-	(80,513)	-	(337,800)
Third Party	1,434,095	116,242	10,523	-	1,560,860
(Loss)/Profit before tax	(502,869)	(425)	8,901	46,552	(447,841)
Depreciation and impairment	245,367	8,543	2,159	(5,705)	250,364
Segment Assets	4,562,639	162,144	114,463	(886,201)	3,953,045
Segment Liabilities	3,406,799	60,825	36,365	(719,075)	2,784,914
Capital expenditure	38,484	1,856	381	-	40,721

Notes:

1. Basis of Preparation

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows.

2. 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, 2011. The Group has adopted all the new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after January 01, 2012 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.

3. Earnings Per share

Earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders of the Parent by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares in issue for the period has been determined by deducting from the total number of issued shares of 249.765M, the 3.752M (2011: 4.121M) shares that were held as unallocated shares by our ESOP.

4. Segment Information

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

5. Going Concern/Debt Restructuring

The Group sucessfully completed the restructuring of its debt portfolio in June 2012, which has effectively re-set its debt service obligations, starting from December 2012. The current economic environment remains challenging and as a result the Group reported a net loss before taxes for the nine months of $199.8 million. The Group continues to undertake initiatives to improve its cost structure and enhance revenue streams. Notwithstanding these ongoing initiatives, the Directors have concluded that the current financial position of the Group and weak construction demand still represent a material uncertainty that may impact the current ability of the Group to continue as a going concern.