TRINIDAD CEMENT LIMITED

SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE THREE MONTHS ENDED MARCH 31, 2016

SUMMARY CONSOLIDATED STATEMENT OF INCOME

TT$'000	UNAUDITED Three Months Jan to Mar 2016	UNAUDITED Three Months Jan to Mar 2015	AUDITED Year Jan to Dec 2015
CONTINUING OPERATIONS			
REVENUE	479,547	514,855	2,115,446
Earnings before interest, tax, depreciation, loss on disposal of property, plant and equipment and manpower restructuring costs	153,774	138,212	588,479
Depreciation	(28,563)	(27,651)	(110,796)
Loss on disposal of property, plant and equipment	–	–	(164)
Manpower restructuring costs	–	–	(31,099)
Operating profit	125,211	110,561	446,420
Net debt restructuring gain	–	2,851	205,819
Net finance costs	(41,028)	(56,417)	(164,630)
Profit before taxation from continuing operations	**84,183**	**56,995**	**487,609**
Taxation charge	(17,083)	(10,391)	(58,714)
Profit for the year from continuing operations	**67,100**	**46,604**	**428,895**
DISCONTINUED OPERATIONS			
Loss after taxation from discontinued operations	–	–	(115)
Profit for year	**67,100**	**46,604**	**428,780**
Attributable to:			
Shareholders of the Parent	55,482	42,519	405,108
Non-controlling interests	11,618	4,085	23,672
	67,100	46,604	428,780
Basic and diluted earnings per share – cents:			
From continuing operations	15.0	17.2	119.0

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TT$'000	UNAUDITED Three Months Jan to Mar 2016	UNAUDITED Three Months Jan to Mar 2015	AUDITED Year Jan to Dec 2015
Profit for the year	**67,100**	**46,604**	**428,780**
Other comprehensive income			
Other comprehensive income/(loss) to be reclassified to profit and loss in subsequent periods:			
Exchange differences on translation of foreign operations	1,522	(4,715)	(18,930)
Net other comprehensive income/(loss) to be reclassified to profit and loss in subsequent periods	**1,522**	**(4,715)**	**(18,930)**
Other comprehensive (loss)/income not to be reclassified to profit and loss in subsequent periods:			
Re-measurement losses on defined benefit plans	–	–	(87,685)
Income tax effect	–	–	21,752
Net other comprehensive loss not to be reclassified to profit and loss in subsequent periods:	**–**	**–**	**(65,933)**
Other comprehensive income/(loss) for the year, net of tax	**1,522**	**(4,715)**	**(84,863)**
Total comprehensive income for the year, net of tax	**68,622**	**41,889**	**343,917**
Attributable to:			
Shareholders of the Parent	56,222	38,038	324,790
Non-controlling interests	12,400	3,851	19,127
	68,622	41,889	343,917

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TT$'000	UNAUDITED 31.03.2016	AUDITED 31.12.2015
Non-current assets	2,033,776	2,073,495
Current assets	975,539	959,587
Current liabilities	(686,391)	(709,499)
Non-current liabilities	(1,303,332)	(1,372,613)
Total net assets	**1,019,592**	**950,970**
Share capital	827,732	827,732
Reserves	191,783	135,561
Equity attributable to the Parent	**1,019,515**	**963,293**
Non-controlling interests	77	(12,323)
Total equity	**1,019,592**	**950,970**

DIRECTORS' STATEMENT

The Group recorded profit attributable to shareholders of $55.5 million in the first Quarter (Q1) of 2016, an increase of 30% over the corresponding period last year. The main drivers of these results were cost savings captured by efficiencies gained from the extensive operational restructuring programme implemented in the cement plants of the Group and a $15.4 million reduction in borrowing costs arising from reduced interest rates and debt balances. Collectively, these factors resulted in an increase in EBITDA of $15.6 million or a 5% improvement in EBITDA margins from 27% to 32%.

Overall, the Group's volume was 7% higher than last year, driven by some dynamism in the domestic markets of Jamaica and Guyana. Group revenue fell by 7% from $514.9 million in 2015 to $479.5 million this year in part because average domestic prices fell 10% during this quarter. In Trinidad and Tobago, the operation of Readymix as well as the volume of cement sales continues to be affected by the slowdown in the construction sector.

The Group generated $56.3 million in cash from operating activities after investing $50.9 million in working capital to obtain substantial savings upon settlement of major suppliers and to increase inventory levels in preparation for maintenance work to be undertaken in the second quarter of 2016.

Outlook

The Group remains well positioned for the future, with improved cost efficiency, reduced debt levels, adequate capitalisation, improved plant operations and the commitment of all stakeholders.

Wilfred Espinet
Group Chairman
April 20, 2016

Nigel Edwards
Director
April 20, 2016

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

TT$'000	UNAUDITED Three Months Jan to Mar 2016	UNAUDITED Three Months Jan to Mar 2015	AUDITED Year Jan to Dec 2015
Profit before Taxation from Continuing Operations	**84,183**	**56,995**	**487,609**
Loss before Taxation from Discontinued Operations	**–**	**–**	**(115)**
	84,183	56,995	487,494
Adjustment for non-cash items	63,706	93,098	98,143
	147,889	150,093	585,637
Changes in working capital	(50,857)	3,844	47,382
	97,032	153,937	633,019
Net Interest, taxation and pension contributions paid	(40,716)	(50,519)	(163,759)
Net cash generated by operating activities	56,316	103,418	469,260
Net cash used in investing activities	(18,394)	(12,219)	(117,212)
Net cash (used in)/generated by financing activities	(47,883)	360,620	(159,992)
(Decrease)/increase in cash and cash equivalents	(9,961)	451,819	192,056
Currency adjustment – opening balance	825	(64)	(145)
Net cash – beginning of year	288,500	96,589	96,589
Net cash – end of year	**279,364**	**548,344**	**288,500**

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TT$'000	PARENT UNAUDITED Jan to Mar 2016	PARENT UNAUDITED Jan to Mar 2015	PARENT AUDITED Jan to Dec 2015	NON-CONTROLLING INTERESTS UNAUDITED Jan to Mar 2016	NON-CONTROLLING INTERESTS UNAUDITED Jan to Mar 2015	NON-CONTROLLING INTERESTS AUDITED Jan to Dec 2015
Balance at beginning of period	**963,293**	**276,977**	**276,977**	**(12,323)**	**(31,450)**	**(31,450)**
Other comprehensive income/(loss)	740	(4,481)	(80,318)	782	(234)	(4,545)
Profit after taxation	55,482	42,519	405,108	11,618	4,085	23,672
Comprehensive income	56,222	38,038	324,790	12,400	3,851	19,127
Rights issue proceeds	–	361,526	361,526	–	–	–
Balance at end of period	**1,019,515**	**676,541**	**963,293**	**77**	**(27,599)**	**(12,323)**

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FOR THE THREE MONTHS ENDED MARCH 31, 2016

SEGMENT INFORMATION

TT$'000	Cement	Concrete	Packaging	Consolidation Adjustments	Total
UNAUDITED THREE MONTHS JAN TO MAR 2016					
Revenue					
Total	519,156	32,917	18,938	–	571,011
Intersegment	(76,698)	–	(14,766)	–	(91,464)
Third Party	442,458	32,917	4,172	–	479,547
Profit/(loss) before tax	87,726	(716)	669	(3,496)	84,183
Depreciation and impairment	27,147	1,548	468	(600)	28,563
Segment assets	3,379,860	143,631	93,768	(607,944)	3,009,315
Segment liabilities	2,699,998	47,010	31,201	(788,486)	1,989,723
Capital expenditure	17,860	259	275	–	18,394
UNAUDITED THREE MONTHS JAN TO MAR 2015					
Revenue					
Total	561,861	48,119	15,606	–	625,586
Intersegment	(96,836)	–	(13,895)	–	(110,731)
Third party	465,025	48,119	1,711	–	514,855
Profit/(loss) before tax	53,121	3,485	(2,388)	2,777	56,995
Depreciation and impairment	27,047	1,238	346	(980)	27,651
Segment assets	3,706,769	138,266	111,627	(563,683)	3,392,979
Segment liabilities	3,030,248	44,834	38,901	(369,946)	2,744,037
Capital expenditure	8,672	2,736	811	–	12,219
AUDITED YEAR JAN TO DEC 2015					
Revenue					
Total	2,202,494	216,716	62,695	–	2,481,905
Intersegment	(309,972)	–	(56,487)	–	(366,459)
Third party	1,892,522	216,716	6,208	–	2,115,446
Profit/(loss) before tax	676,731	13,185	(5,068)	(197,354)	487,494
Depreciation and impairment	106,561	6,596	1,503	(3,864)	110,796
Segment assets	3,713,276	147,289	96,728	(924,211)	3,033,082
Segment liabilities	2,764,719	43,425	30,704	(756,736)	2,082,112
Capital expenditure	103,962	10,692	2,863	–	117,517

NOTES

1. **Basis of Preparation**
These summary consolidated financial statements are prepared in accordance with established criteria developed by management and 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**
These summary consolidated financial statements have been prepared in accordance with the accounting policies set out in 'Note 2' of the December 31, 2015 audited financial statements consistently applied from period to period. The Group has adopted all the new and revised accounting standards that are mandatory for annual accounting periods on or after January 01, 2016 and which are relevant to the Group's operations.

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 374.648M, the 3.752M 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.