



CARIBBEAN CEMENT COMPANY LIMITED

October 26, 2017

Jamaica Stock Exchange
40 Harbour Street
Kingston

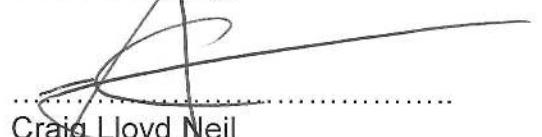
ATTENTION: MRS. MARLENE STREET-FORREST

Dear Sirs:

CCCL's QUARTERLY FINANCIAL STATEMENT 2017 & LIST OF TOP 10 SHAREHOLDERS

Attached is Caribbean Cement Company Limited's Consolidated Unaudited Interim Financial Report for the quarter ended September 30, 2017, together with the list of the Company's top ten (10) shareholders.

Yours sincerely,


.....
Craig Lloyd Neil
Legal Counsel/Company Secretary

Attachment

P.O. Box 448

Kingston,

Jamaica W.I.

Tel: (876) 928-6231
(876) 928-6021

Fax: (876) 928-7381
Website: [www.
caribcement.com](http://www.caribcement.com)

BOARD OF DIRECTORS: Parris A. Lyew-Ayee, Chairman; Hollis Hosein;
Luis Ali Moya; Alejandro Vares, Jose Seijo, Peter Donkersloot, Craig Lloyd Neil; Company Secretary



SUMMARY CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
JS'000	UNAUDITED		AUDITED
	30.09.2017	30.09.2016	31.12.2016
NET ASSETS			
Non-current assets			
Property, plant and equipment	7,734,007	6,020,615	6,571,104
Intangible assets	476	12,903	9,460
Deferred tax asset	131,713	-	131,713
	7,866,196	6,033,518	6,712,277
Current assets			
Inventories	2,053,092	2,129,948	2,095,803
Taxation recoverable	19,993	43,109	118,451
Due from parent and related companies	92,015	18,125	205,460
Receivables and prepayments	716,600	1,101,537	569,929
Cash and cash equivalents	1,607,533	1,305,483	717,568
	4,489,333	4,599,202	3,707,211
Current liabilities			
Income tax payable	19,668	95,240	-
Due to parent and related companies	721,908	451,800	104,041
Payables and accruals	1,957,725	2,675,149	2,544,019
Provision	5,159	-	5,159
	2,704,460	3,222,189	2,653,219
Working capital surplus	1,784,873	1,377,013	1,053,992
Non-current liabilities			
Provision	27,393	-	27,393
	27,393	-	27,393
TOTAL NET ASSETS	9,623,676	7,410,531	7,738,876
SHAREHOLDERS' EQUITY			
Share capital			
Ordinary	1,808,837	1,808,837	1,808,837
Preference	5,077,760	5,077,760	5,077,760
Capital contribution	3,839,090	3,839,090	3,839,090
Reserves:			
Realised capital gain	1,413,661	1,413,661	1,413,661
Other reserve	70,759	-	-
Accumulated losses	(2,586,431)	(4,728,817)	(4,400,472)
GROUP EQUITY	9,623,676	7,410,531	7,738,876

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
JS'000	UNAUDITED		AUDITED	
	Three Months Jul to Sep	Nine Months Jan to Sep	Year Jan to Dec	
	2017	2016	2017	2016
Revenue				
Earnings before interest, depreciation, amortisation, tax, stockholding and inventory restructuring and manpower restructuring costs (Note 7)	966,276	94,876	2,429,010	2,468,538
Depreciation and amortisation	(132,450)	(117,280)	(400,231)	(359,031)
Stockholding and inventory restructuring costs (Note 5)	1,829	(4,025)	(406,453)	(400,774)
Manpower restructuring costs (Note 4)	-	13,484	-	(407,253)
Operating profit/(loss)	835,655	(12,925)	2,058,194	1,295,801
Interest income	81	1,594	1,920	5,201
Finance credit/(costs)	10,850	(16,135)	4,401	(37,859)
Profit/(loss) before taxation	846,586	(27,466)	2,065,515	1,259,541
Taxation charge	(83,706)	(53,630)	(251,474)	(286,184)
Profit/(loss) for the period	747,880	(81,116)	1,814,041	973,357
Other comprehensive income				
Other comprehensive income/(loss) to be reclassified to profit and loss in subsequent periods:				
Fuel price hedge (Note 6)	46,700	-	70,759	-
Other comprehensive income/(loss) to be reclassified to profit and loss in subsequent periods:	46,700	-	70,759	-
Total comprehensive income/(loss) for the period net of tax	794,580	(81,116)	1,884,800	973,357
Basic & diluted earnings/(loss) per ordinary share (expressed in cents) (Note 3):	88	(10)	213	114

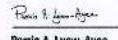
DIRECTORS' STATEMENT

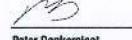
The Group reported year-to-date consolidated profit before tax of \$2,066 million compared to \$1,260 million last year, reflecting a favourable variance of \$806 million. The result was attributed to a \$437 million write down of overstocked items identified in 2016 (see note 5) and \$407 million incurred during the implementation of restructuring programs last year (see note 4).

Regarding the reporting quarter, the Group reported consolidated profit before tax of \$847 million compared to a loss before tax of \$27 million in the corresponding quarter last year. This reflected a favourable variance of \$874 million. The result was attributable to an increase in revenue of \$504 million (14%) through a 15% increase in volumes distributed to the domestic market. Improved operational efficiencies resulted in lower operational expenses in excess of \$300 million compared to the same quarter in 2016. This effect came from a major maintenance exercise, which took place during quarter three 2016. The next major maintenance is scheduled to take place during quarter four 2017. The Group continues to maintain its liquidity position and to fund capital projects from cash generated through its operation.

Safety remains one of the Group's main priorities with continued efforts being placed on the implementation of world class health and safety standards and practices in the operations. The TCL Group is continuing to leverage the technical expertise and support of CEMEX to: (1) further develop our human talent; (2) strengthen our business processes to achieve greater efficiencies and (3) improve our offerings and build stronger relationships by actively listening and fully understanding our customers' needs.

The Board of Directors remains committed to meeting the local cement demand and contributing to economic development. We will continue to reinforce the Group's profitability and competitiveness of the plant while creating a better environment for our people.


Parvis A. Lyew-Ayee
Chairman
October 24, 2017


Peter Donkersloot
Director
October 24, 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY			
JS'000	UNAUDITED		AUDITED
	Nine Months Jan to Sep	Year Jan to Dec	
	2017	2016	2016
Balance at beginning of period	7,738,876	6,437,174	6,437,174
Profit for the period	1,814,041	973,357	1,301,702
Other comprehensive income	70,759	-	-
Total comprehensive income	1,884,800	973,357	1,301,702
Balance at end of period	9,623,676	7,410,531	7,738,876

CONSOLIDATED STATEMENT OF CASH FLOWS			
JS'000	UNAUDITED		AUDITED
	Three Months Jul to Sep	Nine Months Jan to Sep	Year Jan to Dec
	2017	2016	2016
Cash flows from operating activities			
Profit/(loss) before taxation	946,586	(27,466)	2,065,515
Adjustments to reconcile profit/(loss) before taxation to net cash generated by operating activities:			
Depreciation and amortisation	132,450	117,260	400,231
Stockholding and inventory restructuring costs (Note 5)	(1,829)	4,025	(30,415)
Net impairment/(recovery) of receivables	437	(8,535)	2,197
Interest income	(81)	(1,594)	(1,920)
Interest expense	10,850	23	8,510
Unwinding of discount on rehabilitation provision	-	1,295	3,866
Unrealised foreign exchange losses- net	734	11,770	(3,429)
	988,147	95,778	2,438,580
(Increase)/decrease in inventories	(342,163)	824,656	73,125
Decrease/increase in receivables and prepayments	228,816	462,395	(50,410)
(Increase)/decrease in due from parent and related companies	(20,320)	42,255	112,445
(Decrease)/increase in payables and accruals	(583,101)	(58,754)	(587,926)
Increase in provision	-	-	-
Increase/(decrease) in due to parent and related companies	684,675	(105,181)	(1,028,738)
	684,675	(105,181)	(1,352,672)
Cash generated by operations	955,114	1,252,149	2,602,682
Interest received	81	1,594	1,920
Interest paid	(4,401)	(49,505)	(4,401)
Taxation paid	(43,883)	(63,481)	(131,527)
	906,911	1,140,757	2,468,674
Net cash generated by operating activities	906,911	1,140,757	2,468,674
Investing activities			
Additions to property, plant and equipment	(363,675)	(622,040)	(1,015,543)
Net cash used in investing activities	(363,675)	(622,040)	(1,015,543)
Financing activities			
Repayment of amounts due to related companies	-	-	(205,582)
Net cash used in financing activities	-	-	(205,582)
Net increase/(decrease) in cash and cash equivalents	543,236	518,717	896,379
Net foreign exchange differences	593	-	(6,314)
Net cash - beginning of period	1,063,804	787,766	717,568
Net cash - end of period	1,807,633	1,306,483	1,306,483
Represented by			
Cash and cash equivalents	1,807,633	1,306,483	1,306,483
	1,807,633	1,306,483	1,306,483

NOTES

- Basis of Preparation**
The summary consolidated financial statements are prepared in accordance with Practice Statement 2016 – 1, Summary Financial Statements issued by the Institute of Chartered Accountants of Jamaica (ICAJ). Management discloses the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement. These summary financial statements are derived from the unaudited consolidated financial statements of Caribbean Cement Company Limited and its Subsidiaries (Group) for the period ended September 30, 2017, which are prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and the requirements of the Jamaican Companies Act.
- Accounting Policies**
These summary consolidated interim financial statements for the period ended September 30, 2017, have been prepared in accordance with the accounting policies used in the audited financial statements for the year ended December 31, 2016. Any new accounting standards or interpretations which became effective in this financial year have had no material impact on the Group's financial position or results.
- Basic & Diluted Earnings Per Ordinary Share**
Basic & diluted earnings per ordinary share is calculated by dividing the net profit by the number of ordinary shares outstanding during the period.
- Manpower Restructuring Costs**
Manpower restructuring costs mainly comprises severance costs incurred during implementation of restructuring programs. The objective of the restructuring programs is to improve cost efficiency.
- Stockholding and Inventory Restructuring Costs**
Stockholding and inventory restructuring costs comprises write down of overstocked items identified in a comprehensive review of inventory quantities on hand which was undertaken in 2016. During 2017, some of these items valued \$30 million were used and transferred to operating cost.
- Fuel price hedge**
During quarter 2, the Group entered into forward contracts through CEMEX S. A. B. de C.V. to hedge the price of estimated fuel consumption. By means of these contracts, the market price of a portion of the fuel component was fixed based on estimated consumption.
- Earnings before interest, depreciation, amortisation, tax, stockholding and inventory restructuring and manpower restructuring costs.**

JS'000	UNAUDITED		AUDITED	
	Three Months Jul to Sep	Nine Months Jan to Sep	Year Jan to Dec	
	2017	2016	2017	2016
Revenue	4,183,173	3,673,390	12,264,770	11,984,522
Expenses				
Raw material and consumables	323,410	326,844	944,105	921,269
Fuel and electricity	759,351	530,659	2,219,364	1,872,357
Personnel remuneration and benefits	551,072	555,945	1,508,253	1,634,690
Repairs and maintenance	254,285	357,749	650,068	665,365
Equipment hire	110,815	110,729	357,948	454,339
Cement transportation, marketing and selling expenses	218,812	131,843	560,199	443,002
Other operating expenses	1,106,486	1,094,546	3,296,737	3,293,633
Changes in inventories of finished goods and work in progress	(107,334)	476,157	299,486	231,329
Total expenses	3,216,897	3,584,514	9,835,760	9,515,984
Other income	-	-	-	107,384
Earnings before interest, depreciation, amortisation, tax, stockholding and inventory restructuring and manpower restructuring costs	956,276	94,876	2,429,010	2,468,588

**CARIBBEAN CEMENT COMPANY LIMITED
TOP 10 SHAREHOLDERS INCLUDING THOSE LISTED
IN THE JAMAICA CENTRAL SECURITIES DEPOSITORY
AS AT 30 SEPTEMBER 2017**

	NAME OF COMPANY	NUMBER OF SHARES	%AGE
1	T.C.L.(NEVIS) LIMITED	558,688,942	65.64%
2	TRINIDAD CEMENT LIMITED	71,876,497	8.44%
3	SCANCEM INTERNATIONAL (ST. LUCIA) LIMITED	42,187,482	4.96%
4	MAYBERRY WEST INDIES LIMITED	25,624,272	3.01%
5	GUARDIAN LIFE LIMITED	6,674,357	0.78%
6	STEELE, COLIN	6,500,000	0.76%
7	SUBRATIE, MICHAEL J. G.	5,254,965	0.62%
8	NATIONAL HOUSING TRUST	4,318,904	0.51%
9	PAM – POOLED EQUITY FUND	3,955,537	0.46%
10	BAMBOO GROUP HOLDINGS LIMITED	3,490,690	0.41%

**CARIBBEAN CEMENT COMPANY LIMITED
SHAREHOLDING OF DIRECTORS & CONNECTED PARTIES
AS AT 30 SEPTEMBER 2017**

PARRIS A. LYEW-AYEE	(CHAIRMAN)	10,000
HOLLIS N. HOSEIN		NIL
ALEJANDRO VARES LEAL		77,710
LUIS ALI MOYA		NIL
JOSE SEIJO GONZALEZ		NIL
CRAIG LLOYD NEIL	(COMPANY SECRETARY)	NIL

**CARIBBEAN CEMENT COMPANY LIMITED
SHAREHOLDING OF SENIOR MANAGERS & CONNECTED PARTIES
AS AT 30 SEPTEMBER 2017**

PETER DONKERSLOOT PONCE	(GENERAL MANAGER)	NIL
ROHAN ANDERSON		NIL
WAYNE BALLEN		NIL
CHRISTOPHER BROWN		NIL
MARCHEL BURRELL		NIL
JORGE CAMELO		NIL
EUVINE DARE		NIL
JORGE HERRERA		NIL
SOPHIA LOWE PINNOCK		NIL
JOSE MONGUE		NIL
WILSON PENA		NIL
ADRIAN SPENCER		23,750
ANDREW STEPHENSON		NIL
GAREN WILLIAMS		NIL
SERGIO ZAZUETA		NIL