TRINIDAD CEMENT LIMITED

SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2015

SUMMARY CONSOLIDATED STATEMENT OF INCOME

TT$'000	UNAUDITED Three Months Apr to June		UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec
CONTINUING OPERATIONS	**2015**	**2014**	**2015**	**2014**	**2014**
Revenue	**572,887**	**560,019**	**1,087,742**	**1,073,583**	**2,103,074**
Earnings before interest, tax, depreciation, impairment, loss on disposal of property, plant and equipment and net debt restructuring	**181,271**	**106,643**	**319,483**	**207,080**	**407,845**
Depreciation	(27,574)	(31,338)	(55,225)	(62,865)	(131,113)
Impairment charges	–	–	–	–	(155,937)
Loss on disposal of property, plant and equipment	–	(1,782)	–	(2,282)	(3,963)
Operating profit	**153,697**	**73,523**	**264,258**	**141,933**	**116,832**
Net Debt restructuring gain	194,243	–	197,094	–	–
Net Finance costs	(36,277)	(46,680)	(92,694)	(97,453)	(213,551)
Profit/(Loss) before taxation from Continuing Operations	**311,663**	**26,843**	**368,658**	**44,480**	**(96,719)**
Taxation charge	(23,023)	(7,550)	(33,414)	(11,724)	(108,584)
Profit/(Loss) for the year from Continuing Operations	**288,640**	**19,293**	**335,244**	**32,756**	**(205,303)**
DISCONTINUED OPERATIONS					
Loss after Taxation from Discontinued Operations	–	(302)	–	(796)	(5,716)
Profit/(Loss) for period	**288,640**	**18,991**	**335,244**	**31,960**	**(211,019)**
Attributable to:					
Shareholders of the Parent	278,510	18,654	321,029	29,916	(214,394)
Non-controlling Interests	10,130	337	14,215	2,044	3,375
	288,640	**18,991**	**335,244**	**31,960**	**(211,019)**
Basic and diluted Earnings/(Loss) per Share – cents:					
From Continuing Operations	85.9	7.6	103.1	12.3	(86.1)
From Discontinued Operations	0.0	0.0	0.0	(0.1)	(1.0)
	85.9	**7.6**	**103.1**	**12.2**	**(87.1)**

DIRECTORS' STATEMENT

Following on the achievements of the first quarter, we were able to successfully refinance the restructured debt and in so doing, take advantage of the maximum discount that was negotiated with our creditors in May 2015. Net of fees incurred for the new financing, we were able to benefit from prepayment discounts of $194.2 million, all of which has been reflected in our Q2 results.

The restructured debt agreement that was concluded in Q1 was refinanced in May 2015 using proceeds from a Bridge Loan of US$245 million and US$15.8 million of internal cash.

Group revenue in Q2 2015 was $572.9 million compared to $514.9 million in Q1 2015, showing quarter-on-quarter growth of 11% due to increased cement sales volume of 8% and higher concrete/aggregate sales. Additionally, revenue for Q2 2015 was $12.9 million (2%) higher than Q2 2014, due mainly to 2014 price increases, as well as higher clinker sales. In addition, concrete and aggregate sales volumes were 10% and 5% higher than Q2 2014 respectively.

Earnings before Interest, Taxes, Depreciation, Impairment, Loss on disposal of property, plant and equipment, and Debt Restructuring credit from continuing operations increased by $43.1 million (31%) over Q1 2015 and by $75.0 million (70%) over Q2 2014. This performance was largely impacted by higher sales and production volumes, price increases implemented in 2014 at TCL, and lower fuel and electricity costs at CCCL.

Finance cost was $10.4 million lower due both to the reduced interest rates on the Bridge Loan and a reduction of the principal loan balance from US$292.2 million to US$245 million.

The combined results for Q1 and Q2 2015 show revenue of $1.1 billion, an increase of 1% over the 2014 half year, and net profit of $335.2 million compared to $32.0 million for half year 2014.

In light of the fact that the US$245 million Bridge Loan has a maturity tenor of nine (9) months, the full amount of this liability is reflected as current liabilities in the statement of financial position. As a consequence, the working capital has moved from a surplus of $0.6 billion at March 31st, 2015 to a deficit of $0.8 billion at June 30th, 2015. Net cash balance at the end of Q2 2015 was $529.7 million compared to $77.1 million at Q2 2014.

Outlook

The company is in the process of refinancing its Bridge Loan with a longer-term, syndicated loan facility which is expected to be concluded during Q3 of 2015. Given the strong Free Cash Flow generated during the quarter and the expectations going forward, the company has decided to use a portion of its cash on hand to prepay up to US$20 million of the Bridge Loan and will consequently reduce the amount that it will refinance via the syndicated loan facility to no more than US$225million. Once this is concluded as planned, this will allow the group to reclassify loan balances to long-term liabilities, which will result in an improved working capital position.

Wilfred Espinet
Group Chairman
July 16, 2015

Nigel Edwards
Director
July 16, 2015

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TT$'000	UNAUDITED Three Months Apr to June		UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec
	2015	**2014**	**2015**	**2014**	**2014**
Profit/(Loss) for the period	**288,640**	**18,991**	**335,244**	**31,960**	**(211,019)**
Other Comprehensive income					
Other Comprehensive Income to be reclassified to profit and loss in subsequent periods:					
Exchange differences on translation of foreign operations	(6,314)	(12,774)	(11,029)	(24,232)	(30,437)
Net Other Comprehensive loss to be reclassified to profit and loss in subsequent periods	**(6,314)**	**(12,774)**	**(11,029)**	**(24,232)**	**(30,437)**
Other Comprehensive (Loss)/ Income not to be reclassified to profit and loss in subsequent periods:					
Re-measurement losses on defined benefit plans	–	–	–	–	(65,610)
Income tax effect	–	–	–	–	16,915
Net Other Comprehensive Loss not to be reclassified to profit and loss in subsequent periods	**–**	**–**	**–**	**–**	**(48,695)**
Other Comprehensive loss for the period, net of tax	(6,314)	(12,774)	(11,029)	(24,232)	(79,132)
Total Comprehensive Income/(loss) for the period, net of tax	**282,326**	**6,217**	**324,215**	**7,728**	**(290,151)**
Attributable to:					
Shareholders of the Parent	273,956	8,796	311,994	11,432	(284,556)
Non-controlling Interests	8,370	(2,579)	12,221	(3,704)	(5,595)
	282,326	**6,217**	**324,215**	**7,728**	**(290,151)**

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TT$'000	UNAUDITED 30.06.2015	AUDITED 31.12.2014
Non-Current Assets	2,098,428	2,160,090
Current Assets	1,201,485	849,911
Current Liabilities	(1,984,756)	(2,376,213)
Non-Current Liabilities	(383,889)	(388,261)
Total Net Assets	**931,268**	**245,527**
Share Capital	827,732	466,206
Reserves	122,765	(189,229)
Equity attributable to the Parent	**950,497**	**276,977**
Non-controlling Interests	(19,229)	(31,450)
Total Equity	**931,268**	**245,527**

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

TT$'000	UNAUDITED Three Months Apr to June		UNAUDITED Six Months Jan to June		AUDITED Year Jan to Dec
	2015	**2014**	**2015**	**2014**	**2014**
Profit/(Loss) before Taxation from Continuing Operations	**311,663**	**26,843**	**368,658**	**44,480**	**(96,719)**
Loss before Taxation from Discontinued Operations	**–**	**(302)**	**–**	**(796)**	**(5,754)**
	311,663	26,541	368,658	43,684	(102,473)
Adjustment for non-cash items	(122,039)	84,246	(28,941)	171,098	529,339
	189,624	110,787	339,717	214,782	426,866
Changes in working capital	25,792	31,175	29,636	54,529	16,966
	215,416	141,962	369,353	269,311	443,832
Net Interest, taxation and pension contributions paid	(117,449)	(66,295)	(167,968)	(125,018)	(233,237)
Net cash generated by operating activities	97,967	75,667	201,385	144,293	210,595
Net cash used in investing activities	(11,825)	(21,306)	(24,044)	(36,751)	(77,637)
Net cash generated by financing activities	(104,546)	(44,050)	256,074	(87,675)	(92,963)
Increase in cash and cash equivalents	(18,404)	10,311	433,415	19,867	39,995
Currency adjustment – opening balance	(248)	(164)	(312)	(596)	(1,210)
Net cash – beginning of period	548,344	66,928	96,589	57,804	57,804
Net cash – end of period	**529,692**	**77,075**	**529,692**	**77,075**	**96,589**