



TRINIDAD CEMENT LIMITED

**CONSOLIDATED INTERIM FINANCIAL REPORT**  
FOR THE SIX MONTHS ENDED JUNE 30, 2007

**CONSOLIDATED STATEMENT OF EARNINGS**

TT\$'000	UNAUDITED 3 Months Apr to Jun		UNAUDITED 6 Months Jan to Jun		AUDITED 12 Months Jan to Dec
	2007	2006	2007	2006	2006
REVENUE	484,177	435,873	963,791	837,811	1,719,002
OPERATING PROFIT – before cement claims	83,799	56,300	176,960	107,769	295,114
Cement claims – CCCL	–	–	–	(15,485)	(30,271)
OPERATING PROFIT – after cement claims	83,799	56,300	176,960	92,284	264,843
Finance costs – net	(26,783)	(29,277)	(52,284)	(59,438)	(104,355)
Profit before Taxation	57,016	27,023	124,676	32,846	160,488
Taxation	(10,724)	(34)	(22,354)	8,816	(8,721)
Profit after taxation	46,292	26,989	102,322	41,662	151,767
Attributable to:					
Shareholders of the Parent	40,346	28,187	90,095	47,662	145,665
Minority Interests	5,946	(1,198)	12,227	(6,000)	6,102
	46,292	26,989	102,322	41,662	151,767
Earnings per Share -basic and diluted, cents	17	12	37	20	60

**DIRECTORS' STATEMENT**

**PERFORMANCE**

The Group's overall performance during the second quarter of 2007 continued to be strong, with earnings per share of 17 cents compared to 12 cents in the prior period. Earnings per share for the first half of 2007 was 37 cents, compared to 20 cents in the prior year period, which was impacted by the quality issues at Caribbean Cement Company Limited.

Revenue for the first half of 2007 increased by \$126.0 million (15%) over the same 2006 period, due to continued strong regional demand and price adjustments implemented to mitigate rising energy costs.

Operating profit and profit after taxation for the first half of 2007 benefited from a favourable performance by Trinidad Cement Limited, the return to profitability of Caribbean Cement Company Limited and significantly improved profitability of Readymix (West Indies) Limited. Our newly established facility in Guyana has been profitable to date. Our cement plant in Barbados, Arawak Cement Company Limited, continues to be negatively impacted by increased fuel costs, which will be addressed by the commissioning of a new fuel system (Petroleum Coke) in the third quarter of 2007.

Cash generated by operating activities for the half year was \$152.5 million, an increase of \$72.7 million (91%) over the prior period. The Group invested \$190.1 million mainly on new plant and equipment in 2007. Total net assets at the end of the half year were \$1.4 billion, an increase of \$0.1 billion (8%) over December 31, 2006.

**OUTLOOK**

The expansion and modernisation programme at CCCL in Jamaica continues on schedule, with commissioning of the new kiln expected in early 2008. The Group remains very optimistic about its prospects for 2007, as demand is expected to remain strong in both the Caribbean domestic and export markets.

Given the heavy demands of the expansion and modernisation programme on cashflows, the Board of Directors does not consider it prudent to pay an interim dividend for 2007.

*Andy J. Bhajan*

Andy J. Bhajan  
Group Chairman  
July 27, 2007

*Dr. Rollin Bertrand*

Dr. Rollin Bertrand  
Director/Group CEO  
July 27, 2007

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**CONSOLIDATED BALANCE SHEET**

TT\$'000	UNAUDITED 30.06.2007	UNAUDITED 30.06.2006	AUDITED 31.12.2006
Non-Current Assets	2,555,326	2,225,366	2,451,357
Current Assets	924,688	730,215	778,614
Current Liabilities	(576,420)	(518,795)	(518,700)
Non-Current Liabilities	(1,539,008)	(1,243,657)	(1,443,777)
<b>Total Net Assets</b>	<b>1,364,586</b>	<b>1,193,129</b>	<b>1,267,494</b>
Share Capital	466,206	466,206	466,206
Reserves	777,020	620,963	692,775
Equity attributable to the Parent	1,243,226	1,087,169	1,158,981
Minority Interests	121,360	105,960	108,513
<b>Total Equity</b>	<b>1,364,586</b>	<b>1,193,129</b>	<b>1,267,494</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

TT \$'000	UNAUDITED Half Year Ended 30.06.2007	UNAUDITED Half Year Ended 30.06.2006	AUDITED Year Ended 31.12.2006
Balance at beginning of period	1,158,981	1,031,841	1,031,841
Currency translation and other adjustments	1,775	(5,147)	(10,676)
Allocation to employees and sale of ESOP shares, net of dividend	–	–	1,785
Change in fair value of swap, net of tax	7,343	12,813	2,854
Profit attributable to shareholders of the Parent	90,095	47,662	145,665
Dividends	(14,968)	–	(12,488)
<b>Balance at end of period</b>	<b>1,243,226</b>	<b>1,087,169</b>	<b>1,158,981</b>

**CONSOLIDATED CASH FLOW STATEMENT**

TT \$'000	UNAUDITED Half Year Ended 30.06.2007	UNAUDITED Half Year Ended 30.06.2006	AUDITED Year Ended 31.12.2006
Profit before taxation	124,676	32,846	160,488
Adjustment for non-cash items	108,630	114,045	217,711
Changes in working capital	(23,714)	(8,406)	(45,374)
	209,592	138,485	332,825
Net Interest and taxation paid	(57,103)	(58,699)	(101,014)
Net cash generated by operating activities	152,489	79,786	231,811
Net cash used in investing activities	(190,071)	(178,132)	(379,044)
Net cash generated by/(used in) financing activities	94,292	(21,759)	57,007
Increase/(decrease) in cash and short term funds	56,710	(120,105)	(90,226)
Cash and short term funds – beginning of period	31,795	120,813	120,813
Currency adjustment – opening balance	–	–	1,208
<b>Cash and short term funds – end of period</b>	<b>88,505</b>	<b>708</b>	<b>31,795</b>

**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, 2006.

**2. 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 5.087M (2006: 5.283M) shares that were held as unallocated shares by our ESOP.