TCL

TRINIDAD CEMENT LIMITED

CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2008

CONSOLIDATED STATEMENT OF EARNINGS

TT$'000	UNAUDITED Three Months July to Sept 2008	UNAUDITED Three Months July to Sept 2007	UNAUDITED Nine Months Jan to Sept 2008	UNAUDITED Nine Months Jan to Sept 2007	AUDITED Year Jan to Dec 2007
REVENUE	533,403	485,704	1,616,526	1,449,495	1,922,957
OPERATING PROFIT - before cement claims	45,312	77,719	211,250	254,679	351,374
Cement claims - CCCL	—	—	—	—	(1,982)
OPERATING PROFIT - after cement claims	45,312	77,719	211,250	254,679	349,392
Finance costs - net	(19,240)	(24,372)	(56,542)	(76,656)	(103,666)
Profit before Taxation	26,072	53,347	154,708	178,023	245,726
Taxation	135	(10,926)	(25,396)	(33,280)	(34,283)
Profit after taxation	26,207	42,421	129,312	144,743	211,443
Attributable to:					
Shareholders of the Parent	25,098	37,044	115,461	127,139	187,795
Minority Interests	1,109	5,377	13,851	17,604	23,648
	26,207	42,421	129,312	144,743	211,443
Earnings per Share - basic and diluted, cents	10	15	47	52	77

DIRECTORS' STATEMENT

PERFORMANCE

The 2008 Third Quarter was very challenging for the Group, with Earnings Per Share (EPS) being 5 cents below that of the 2007 Third Quarter. Profitability for this period was particularly hard hit by softening markets, especially in Jamaica, increased fuel and electricity costs, cement and clinker production shortfalls caused by the effects of Hurricane Gustav in Jamaica and delays in commissioning of the Caribbean Cement Company Limited's (CCCL) kiln 5. These resulted in greater usage of imported product by the Group at a significantly escalated cost. These factors contributed to a decline in operating profit by $32.4M compared to the third quarter of 2007.

Revenue for the nine months of 2008 increased by $167.1M (12%) over the corresponding 2007 period, primarily as a result of 46.5k tonnes (3%) higher cement sales volume and price increases implemented in our domestic and export markets to mitigate rising input costs (mainly energy). For the nine months of 2008 the Group reported an EPS of 47 cents compared to 52 cents in the prior year period. Trinidad Cement Limited (TCL), Readymix (West Indies) Limited (RML) and TCL Packaging Limited (TPL) surpassed their 2007 nine month performances. However, Caribbean Cement Company Limited (CCCL) fell behind due to lower production in the third quarter arising from inclement weather, reduced demand and the transitioning to the new kiln 5. The CCCL kiln 5 commissioning was successfully completed at the end of September 2008. Although Arawak Cement Company Limited (ACCL) has corrected earlier production issues, its performance has fallen below that of 2007 largely because of higher energy costs.

The tax credit for the Third Quarter of 2008 was due mainly to losses incurred by CCCL in the Third Quarter. For the nine months, the Group generated cash from operating activities of $330.3 million and invested $387.3 million, mainly in its expansion project at CCCL in Jamaica. Our debt to equity ratio at the period end was 86 percent.

OUTLOOK

We are still evaluating the impact of the Global financial turmoil, but expect some softening in regional demand. Price adjustments have been implemented in all our markets to mitigate the rising input costs. Construction work for the new Mill 5 in Jamaica is progressing smoothly with the completion date for this plant now scheduled for the second quarter of 2009.

Andy J. Bhajan

Andy J. Bhajan
Group Chairman
November 10, 2008

Dr. Rollin Bertrand
Director/Group CEO
November 10, 2008

www.tclgroup.com

CONSOLIDATED BALANCE SHEET

TT$'000		UNAUDITED 30.09.2008	UNAUDITED 30.09.2007	AUDITED 31.12.2007
Non-Current Assets		2,998,390	2,600,729	2,748,717
Current Assets	(Note 3)	799,468	881,301	872,876
Current Liabilities		(700,425)	(578,097)	(591,873)
Non-Current Liabilities	(Note 4)	(1,569,166)	(1,531,581)	(1,587,466)
Total Net Assets		1,528,267	1,372,352	1,442,254
Share Capital		466,206	466,206	466,206
Reserves		921,331	794,246	847,529
Equity attributable to the Parent		1,387,537	1,260,452	1,313,735
Minority Interests		140,730	111,900	128,519
Total Equity		1,528,267	1,372,352	1,442,254

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TT$'000	UNAUDITED Nine Months Jan to Sept 2008	UNAUDITED Nine Months Jan to Sept 2007	AUDITED YEAR Jan to Dec 2007
Balance at beginning of period	1,313,735	1,158,981	1,158,981
Currency translation and other adjustments	(24,051)	(8,589)	(12,043)
Allocation to employees and sale of ESOP shares, net of dividend	606	19	3,235
Change in fair value of swap, net of tax	(730)	(2,130)	(9,247)
Profit attributable to shareholders of the Parent	115,461	127,139	187,795
Dividends	(17,484)	(14,968)	(14,986)
Balance at end of period	1,387,537	1,260,452	1,313,735

CONSOLIDATED CASH FLOW STATEMENT

TT$'000		UNAUDITED Nine Months Jan to Sept 2008	UNAUDITED Nine Months Jan to Sept 2007	AUDITED YEAR Jan to Dec 2007
Profit before taxation		154,708	178,023	245,726
Adjustment for non-cash items		175,579	165,421	209,121
		330,287	343,444	454,847
Changes in working capital		(53,513)	(74,701)	(29,034)
		276,774	268,743	425,813
Net Interest and taxation paid		(72,851)	(82,643)	(117,577)
Net cash generated by operating activities		203,923	186,100	308,236
Net cash used in investing activities		(387,261)	(285,799)	(433,429)
Net cash (used in)/generated by financing activities		(81,919)	65,666	122,406
Decrease in cash and short term funds		(265,257)	(34,033)	(2,787)
Currency adjustment - opening balance		—	—	2,873
Cash and short term funds - beginning of period		31,881	31,795	31,795
Cash and short term funds - end of period	(Note 5)	(233,376)	(2,238)	31,881

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, 2007.

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 4.617M (2007: 5.087M) shares that were held as unallocated shares by our ESOP.

3. **Accounts Receivable**
   Included in our accounts receivable is an amount of US$3.4M, due from a foreign Government entity, the collection of which has proven to be protracted. There is no evidence at this time to suggest that this amount will not be received.

4. **Loan Covenants**
   Certain loan covenants at the balance sheet date were not satisfied, however the Group has received waivers to remedy this situation.

5. **Short-term Funds**
   During the Third Quarter of 2008 the Group accelerated internal funding of its long term Expansion & Modernization project with a consequential increase in short-term borrowing. The Group is finalizing additional long-term debt of US$25 million to enhance our liquidity, which still maintains our Debt to Equity ratio below the benchmark of 100 percent.