TCL

TRINIDAD CEMENT LIMITED

CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007

CONSOLIDATED STATEMENT OF EARNINGS

TT$'000	UNAUDITED 3 Months Jul to Sept		UNAUDITED 9 Months Jan to Sept		AUDITED 12 Months Jan to Dec
	2007	2006	2007	2006	2006
REVENUE	**485,704**	454,314	**1,449,495**	1,292,125	1,719,002
OPERATING PROFIT – before cement claims	**77,719**	87,910	**254,679**	195,729	295,114
Cement claims – CCCL	**–**	(9,708)	**–**	(25,243)	(30,271)
OPERATING PROFIT – after cement claims	**77,719**	78,202	**254,679**	170,486	264,843
Finance costs – net	**(24,372)**	(24,892)	**(76,656)**	(84,330)	(104,355)
Profit before Taxation	**53,347**	53,310	**178,023**	86,156	160,488
Taxation	**(10,926)**	(2,843)	**(33,280)**	5,973	(8,721)
Profit after taxation	**42,421**	50,467	**144,743**	92,129	151,767
Attributable to:					
Shareholders of the Parent	**37,044**	45,113	**127,139**	92,775	145,665
Minority Interests	**5,377**	5,354	**17,604**	(646)	6,102
	42,421	50,467	**144,743**	92,129	151,767
Earnings per Share – basic and diluted, cents	15	18	52	38	60

CONSOLIDATED BALANCE SHEET

TT$'000	UNAUDITED 30.09.2007	UNAUDITED 30.09.2006	AUDITED 31.12.2006
Non-Current Assets	2,600,729	2,276,503	2,451,357
Current Assets	881,301	685,254	778,614
Current Liabilities	(578,097)	(526,033)	(518,700)
Non-Current Liabilities	(1,531,581)	(1,224,785)	(1,443,777)
Total Net Assets	**1,372,352**	**1,210,939**	**1,267,494**
Share Capital	466,206	466,206	466,206
Reserves	794,246	634,603	692,775
Equity attributable to the Parent	1,260,452	1,100,809	1,158,981
Minority Interests	111,900	110,130	108,513
Total Equity	**1,372,352**	**1,210,939**	**1,267,494**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TT $'000	UNAUDITED Jan to Sept 2007	UNAUDITED Jan to Sept 2006	AUDITED Jan to Dec 2006
Balance at beginning of period	**1,158,981**	**1,031,841**	**1,031,841**
Currency translation and other adjustments	(8,589)	(14,391)	(10,676)
Allocation to employees and sale of ESOP shares, net of dividend	19	775	1,785
Change in fair value of swap, net of tax	(2,130)	2,297	2,854
Profit attributable to shareholders of the Parent	127,139	92,775	145,665
Dividends	(14,968)	(12,488)	(12,488)
Balance at end of period	**1,260,452**	**1,100,809**	**1,158,981**

CONSOLIDATED CASH FLOW STATEMENT

TT $'000	UNAUDITED Jan to Sept 2007	UNAUDITED Jan to Sept 2006	AUDITED Jan to Dec 2006
Profit before taxation	**178,023**	**86,156**	**160,488**
Adjustment for non-cash items	165,421	156,138	217,711
Changes in working capital	(74,701)	(42,154)	(44,166)
	268,743	200,140	334,033
Net Interest and taxation paid	(82,643)	(71,375)	(101,014)
Net cash generated by operating activities	186,100	128,765	233,019
Net cash used in investing activities	(285,799)	(271,691)	(379,044)
Net cash (used in)/generated by financing activities	65,666	(4,066)	57,007
Decrease in cash and short term funds	(34,033)	(146,992)	(89,018)
Cash and short term funds – beginning of period	31,795	120,813	120,813
Cash and short term funds – end of period	**(2,238)**	**(26,179)**	**31,795**

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 4.838M (2006: 5.087M) shares that were held as unallocated shares by our ESOP.

DIRECTORS' STATEMENT

PERFORMANCE

The Group's revenue for the third quarter of 2007 increased by $31.4 million (7%), over the corresponding 2006 period, whilst earnings per share for the quarter was 15 cents compared to 18 cents. This resulted mainly from the continued negative impact of increased fuel costs at our cement plant in Barbados, Arawak Cement Company Limited (ACCL). The company has been in negotiations with the former fuel supplier which should lead to a partial recovery of the fuel cost. In October, ACCL commissioned its new Petcoke fuel system, which will impact postively on ACCL's fuel cost.

For the nine months to September 2007, the Group recorded earnings per share of 52 cents, an increase of 14 cents (36%) over 2006. Revenue for the nine months of 2007 increased by $157.4 million (12%) over the same 2006 period, due to continued strong regional demand and price adjustments implemented to mitigate higher input costs, including energy. Operating profit improved by $59.0 million (30%), benefiting from operational efficiencies and favourable performances by Trinidad Cement Limited and Readymix (West Indies) Limited in particular. Caribbean Cement Company Limited (CCCL) returned to profitability from a prior period loss, which included the provision for claims of $25.2 million and the consequential impact on sales and production of the cement quality issue in 2006. CCCL has achieved both the ISO 9001 certification and the Bureau of Standards plant certification mark in Jamaica in the third quarter of 2007.

The Group generated cash from operating activities for the nine months of $186.1 million, an increase of $57.3 million (44%) over the prior period and invested $285.8 million, mainly on its expansion project at CCCL in Jamaica.

OUTLOOK

The expansion and modernisation programme at CCCL in Jamaica was delayed by the extreme weather conditions in the third quarter but continues apace, with commissioning of the new kiln now expected in the second quarter of 2008. The Group remains very optimistic about its future prospects, as demand is expected to remain strong in both the Caribbean domestic and export markets and our expanded production capacity will position us to take advantage of this opportunity.

Andy J. Bhajan

Andy J. Bhajan
Group Chairman
November 20, 2007

Dr. Rollin Bertrand
Director/Group CEO
November 20, 2007

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