SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2017

TRINIDAD CEMENT LIMITED

CONSOLIDATED STATEMENT OF INCOME

TT$'000	UNAUDITED Three Months Apr to June 2017	UNAUDITED Three Months Apr to June 2016	UNAUDITED Six Months Jan to June 2017	UNAUDITED Six Months Jan to June 2016	AUDITED Year Jan to Dec 2016
Revenue	**428,294**	**506,682**	**850,337**	**986,229**	**1,887,013**
Earnings before interest, tax, depreciation,gain/loss on disposal of property, plant and equipment and restructuring costs	**105,359**	**158,739**	**202,870**	**312,513**	**464,226**
Depreciation and amortisation	(30,299)	(31,012)	(61,341)	(59,575)	(123,148)
Gain/(loss) on disposal of property, plant and equipment	62	20	62	20	(163)
Stockholding and inventory restructuring costs (Note 5)	–	(72,890)	–	(72,890)	(72,026)
Manpower restructuring costs (Note 6)	(7,621)	(22,232)	(7,808)	(22,232)	(44,464)
Integration restructuring expenses (Note 7)	(115)	–	(115)	–	–
Operating profit	**67,386**	**32,625**	**133,668**	**157,836**	**224,425**
Finance costs (net)	(61,586)	(32,529)	(89,293)	(73,557)	(134,798)
Profit before taxation	**5,800**	**96**	**44,375**	**84,279**	**89,627**
Taxation charge	(13,569)	(21,933)	(26,141)	(39,016)	(37,205)
(Loss)/profit for the period	**(7,769)**	**(21,837)**	**18,234**	**45,263**	**52,422**
Attributable to:					
Equity holders of the parent	(14,751)	(24,045)	4,330	31,437	36,859
Non-controlling interests	6,982	2,208	13,904	13,826	15,563
	(7,769)	**(21,837)**	**18,234**	**45,263**	**52,422**
Basic and diluted (Loss)/Earnings per Share – cents (Note 3):	**(3.9)**	**(6.5)**	**1.2**	**8.5**	**10.0**

DIRECTORS' STATEMENT

The TCL Group has recorded revenue of $428 million in the second quarter of 2017, bringing total revenue for the first half of the year to $850 million. When compared to corresponding periods of the prior year, there have been declines of 15% ($78 million) over Q2 2016 and 14% over the first half of 2016.

This was largely due to reduced cement sales in Trinidad and Tobago as a result of continued economic slowdown. Revenue from exports also decreased owing to economic factors in one of the company's export markets. Adjusted EBITDA (earnings before interest, tax, depreciation, loss on disposal of property, plant and equipment and restructuring costs) of $105 million was recorded in the second quarter, representing an increase of 8% over Q1-2017, but a decline of 34% versus the equivalent period in 2016. The Group was able to realize efficiency savings through lower production costs and selling and administrative costs, which partially offset the reduced revenues.

Profit before taxation of $5.8 million in the second quarter was mainly due to an $87 million reduction in restructuring costs versus 2016. The Group successfully refinanced and prepaid its existing debt through an intercompany loan from CEMEX, a short-term facility, and $30 million cash generated from operations, therefore, substantially improving the repayment terms and conditions. Upon prepayment of the third party loan, the one-off expensing of $45 million of associated deferred loan fees was accelerated and this has been recorded under Finance costs (net).

A net loss of $7.7 million after taxation or 3.9 cents per share was recorded in Q2-2017. This represents an improvement of 64% when compared to the corresponding period of 2016. Net profit for the first half of 2017 was $18 million, a decline of $27 million versus the same period of 2016.

Net cash generated from operations was $88 million, of which $70 million was invested in CAPEX, including the installation of a new coal mill at Carib Cement in Jamaica. TCL (the Parent Company) invested a further $35 million in the ordinary shares of Readymix (West Indies) Ltd.

During the second quarter of 2017, the Group began an integration exercise with the support of CEMEX' professionals. This exercise will enable the TCL Group to access the full potential of the CEMEX network.

Outlook

The Board of Directors continues its focus on implementing health and safety best practices, promoting a better work environment for our people, improving offerings to our customers and capturing cost savings from synergies derived from access to the CEMEX Network, restructuring initiatives and operational programmes.

Wilfred Espinet
Group Chairman
July 24, 2017

Nigel Edwards
Director
July 24, 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TT$'000	UNAUDITED Three Months Apr to June 2017	UNAUDITED Three Months Apr to June 2016	UNAUDITED Six Months Jan to June 2017	UNAUDITED Six Months Jan to June 2016	AUDITED Year Jan to Dec 2016
(Loss)/profit for the period	**(7,769)**	**(21,837)**	**18,234**	**45,263**	**52,422**
Other comprehensive income/(loss)					
Other comprehensive income/(loss) to be reclassified to profit and loss in subsequent periods:					
Exchange differences on translation of foreign operations	1,331	(11,719)	2,997	(10,197)	(12,864)
Change in fair value of cashflow hedge	1,271	–	1,271	–	–
Other comprehensive income/(loss) to be reclassified to profit and loss in subsequent periods	**2,602**	**(11,719)**	**4,268**	**(10,197)**	**(12,864)**
Other comprehensive income not to be reclassified to profit and loss in subsequent periods:					
Re-measurement gains on pension plans and other post-retirement benefits	–	–	–	–	36,194
Income tax effect	–	–	–	–	2,508
Net other comprehensive income not to be reclassified to profit and loss in subsequent periods:	**–**	**–**	**–**	**–**	**38,702**
Other comprehensive income/(loss) for the period net of tax	**2,602**	**(11,719)**	**4,268**	**(10,197)**	**25,838**
Total comprehensive income for the period net of tax	**(5,167)**	**(33,556)**	**22,502**	**35,066**	**78,260**
Attributable to:					
Equity holders of the Parent	(12,599)	(33,099)	7,468	23,123	65,790
Non-controlling interests	7,432	(457)	15,034	11,943	12,470
	(5,167)	**(33,556)**	**22,502**	**35,066**	**78,260**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TT$'000	UNAUDITED 30.06.2017	UNAUDITED 30.06.2016	AUDITED 31.12.2016
Assets			
Non-current assets			
Property, plant and equipment	1,839,628	1,725,651	1,805,255
Pension plan assets	31,512	4,673	37,256
Receivables	14,455	10,147	1,966
Deferred tax assets	284,890	312,341	394,075
	2,170,485	2,052,812	2,238,552
Current assets			
Inventories	322,639	420,507	362,521
Receivables and prepayments	144,738	202,514	134,683
Cash at bank and on hand	132,761	297,276	186,546
	600,138	920,297	683,750
Total assets	**2,770,623**	**2,973,109**	**2,922,302**
Equity and liabilities			
Equity			
Stated capital	827,732	827,732	827,732
Unallocated ESOP shares	(20,849)	(25,299)	(20,849)
Other reserves	(251,167)	(251,799)	(254,305)
Retained earnings	450,683	420,796	464,549
Equity attributable to the Parent	**1,006,399**	**971,430**	**1,017,127**
Non-controlling interests	(9,790)	(380)	(221)
Total equity	**996,609**	**971,050**	**1,016,906**
Non-current liabilities			
Long-term portion of borrowings	712,720	916,835	839,646
Pension plan liabilities	15,704	41,739	24,928
Other post-retirement benefits	106,359	69,833	94,412
Deferred tax liabilities	235,121	280,858	344,959
	1,069,904	1,309,265	1,303,945
Current liabilities			
Payables and accruals	459,110	498,622	472,601
Current portion of borrowings	245,000	194,172	128,850
	704,110	692,794	601,451
Total equity and liabilities	**2,770,623**	**2,973,109**	**2,922,302**

TRINIDAD CEMENT LIMITED

SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2017

CONSOLIDATED STATEMENT OF CASH FLOWS

TT$'000	UNAUDITED Three Months Apr to June 2017	UNAUDITED Three Months Apr to June 2016	UNAUDITED Six Months Jan to June 2017	UNAUDITED Six Months Jan to June 2016	AUDITED Year Jan to Dec 2016
Operating activities					
Profit before taxation	**5,800**	**96**	**44,375**	**84,279**	**89,627**
Adjustments to reconcile profit before taxation to net cash generated by operating activities:					
Depreciation	30,299	31,012	61,341	59,575	123,148
Stockholding and inventory restructuring costs (Note 5)	–	–	–	–	72,026
Finance costs (net)	61,586	32,529	89,293	73,557	134,798
ESOP share allocation and sale of shares net of dividends	–	–	–	–	3,030
Pension and other post-retirement expenses	332	17,623	2,225	11,738	36,692
(Gain)/loss on disposal of property, plant and equipment	(62)	(20)	(62)	(20)	163
	97,955	81,240	197,172	229,129	459,484
Decrease in inventories	14,226	63,529	39,882	60,417	48,958
Decrease/(increase) in receivables and prepayments	33,483	4,573	5,610	(20,953)	79,501
(Increase)/decrease in payables and accruals	(36,481)	24,792	(44,579)	2,573	(57,139)
Cash generated by operations	109,183	174,134	198,085	271,166	530,804
Pension contributions paid	(2,434)	(3,955)	(4,854)	(6,593)	(10,928)
Post-retirement benefits paid	(1,646)	(3,206)	(3,045)	(3,611)	(2,408)
Taxation paid	(8,939)	(25,466)	(17,656)	(40,792)	(62,385)
Net interest paid	(8,465)	(22,249)	(27,358)	(44,596)	(88,842)
Net cash generated by operating activities	**87,699**	**119,258**	**145,172**	**175,574**	**366,241**
Investing activities					
Additions to property, plant and equipment	(69,559)	(37,062)	(97,878)	(55,456)	(200,520)
Proceeds from disposal of property, plant and equipment	–	–	–	–	713
Net cash used in investing activities	**(69,559)**	**(37,062)**	**(97,878)**	**(55,456)**	**(199,807)**
Financing activities					
Repayment of borrowings	(1,059,472)	(48,543)	(1,095,391)	(96,426)	(261,133)
Proceeds from borrowings	1,029,155	–	1,029,155	–	–
Dividends paid	–	(14,986)	–	(14,986)	(15,354)
Acquisition of non-controlling interests	(35,306)	–	(35,306)	–	–
Net cash used in financing activities	**(65,623)**	**(63,529)**	**(101,542)**	**(111,412)**	**(276,487)**
Net (decrease)/increase in cash and cash equivalents	(47,483)	18,667	(54,248)	8,706	(110,053)
Net foreign exchange differences	168	(755)	463	70	8,099
Net cash – beginning of period	180,076	279,364	186,546	288,500	288,500
Net cash – end of period	**132,761**	**297,276**	**132,761**	**297,276**	**186,546**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TT$'000	PARENT UNAUDITED Jan to June 2017	PARENT UNAUDITED Jan to June 2016	PARENT AUDITED Jan to Dec 2016	NON-CONTROLLING INTERESTS UNAUDITED Jan to June 2017	NON-CONTROLLING INTERESTS UNAUDITED Jan to June 2016	NON-CONTROLLING INTERESTS AUDITED Jan to Dec 2016
Balance at beginning of period	**1,017,127**	**963,293**	**963,293**	**(221)**	**(12,323)**	**(12,323)**
Other comprehensive income/(loss)	3,138	(8,314)	28,931	1,130	(1,883)	(3,093)
Profit after taxation	4,330	31,437	36,859	13,904	13,826	15,563
Total comprehensive income	7,468	23,123	65,790	15,034	11,943	12,470
Share-based allocations	–	–	3,030	–	–	–
Dividends	(7,493)	(14,986)	(14,986)	–	–	(368)
Acquisition of NCI without change of control	(10,703)	–	–	(24,603)	–	–
Balance at end of period	**1,006,399**	**971,430**	**1,017,127**	**(9,790)**	**(380)**	**(221)**

SEGMENT INFORMATION

TT$'000	CEMENT	CONCRETE	PACKAGING	CONSOLIDATION ADJUSTMENTS	TOTAL
UNAUDITED SIX MONTHS JAN TO JUN 2017					
Revenue					
Total	938,017	72,037	32,911	–	1,042,965
Intersegment	(166,457)	(1,765)	(24,406)	–	(192,628)
Third party	771,560	70,272	8,505	–	850,337
Profit/(loss) before tax	50,563	5,867	(4,416)	(7,639)	44,375
Depreciation and impairment	58,607	2,666	1,114	(1,046)	61,341
Segment assets	3,077,343	130,073	110,624	(547,417)	2,770,623
Segment liabilities	2,255,320	44,890	52,411	(578,607)	1,774,014
Capital expenditure	94,733	2,718	427	–	97,878
UNAUDITED SIX MONTHS JAN TO JUN 2016					
Revenue					
Total	1,061,730	71,155	38,761	–	1,171,646
Intersegment	(154,791)	(143)	(30,483)	–	(185,417)
Third Party	906,939	71,012	8,278	–	986,229
Profit/(loss) before tax	100,838	(2,773)	(151)	(13,635)	84,279
Depreciation and impairment	56,695	3,006	943	(1,069)	59,575
Segment assets	3,270,730	135,850	89,485	(522,956)	2,973,109
Segment liabilities	2,615,346	41,886	27,581	(682,754)	2,002,059
Capital expenditure	51,097	3,820	539	-	55,456
AUDITED YEAR JAN TO DEC 2016					
Revenue					
Total	2,019,321	139,936	80,288	–	2,239,545
Intersegment	(279,428)	–	(73,104)	–	(352,532)
Third party	1,739,893	139,936	7,184	–	1,887,013
Profit/(loss) before tax	25,623	(9,730)	1,915	71,819	89,627
Depreciation and impairment	117,982	6,859	2,032	(3,725)	123,148
Segment assets	3,556,747	140,617	104,051	(879,113)	2,922,302
Segment liabilities	2,602,229	49,788	35,987	(782,608)	1,905,396
Capital expenditure	177,804	20,282	2,434	–	200,520

Notes

1. **Basis of Preparation**
These summary consolidated financial statements are prepared in accordance with established criteria developed by management and disclose the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows.

2. **Accounting Policies**
These summary consolidated financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the December 31st, 2016 audited financial statements consistently applied from period to period. The Group has adopted all the new and revised accounting standards that are mandatory for annual accounting periods on or after January 01st, 2017 and which are relevant to the Group's operations.

3. **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 374.648M ,the weighted average of 2.988M (2016: 3.989M) shares that were held as unallocated shares by our ESOP.

4. **Segment Information**
Management's principal reporting and decision making are by product and accordingly, the segment information is so presented.

5. **Stockholding and Inventory Restructuring Costs**
A review of inventory quantities on hand was undertaken during Q2 and Q3 2016. In accordance with IAS 2: "Inventories," management has recorded an expense of $72 million in 2016 in respect of overstocked items. This expense has been accounted for as a change in an accounting estimate consistent with IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors" resulting from new developments.

6. **Manpower Restructuring Costs**
Manpower restructuring costs mainly comprise severance costs incurred during implementation of restructuring programmes. The objective of the restructuring programmes is to improve cost efficiency.

7. **Integration restructuring expenses**
Integration restucturing costs comprise the expenses incurred to align the operations and integrate the processes with the ultimate parent company.