CARIBBEAN CEMENT COMPANY LIMITED

CARIB CEMENT

SUMMARY CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT

FOR THE THREE MONTHS ENDED MARCH 31, 2015

ONE CARIBBEAN... ONE COMPANY

A member of the TCL GROUP

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

J$'000	UNAUDITED Three Months Jan to Mar 2015	UNAUDITED Three Months Jan to Mar 2014	AUDITED Year Jan to Dec 2014
Sales (Cement Tonnes) – Local	149,494	154,312	598,164
Sales (Cement Tonnes) – Export	39,947	61,094	232,765
Sales (Clinker Tonnes) – Export	55,371	44,261	155,423
Revenue	**3,579,957**	**3,604,194**	**14,356,017**
Earnings before interest, tax, depreciation and amortisation	**438,710**	**214,380**	**961,070**
Depreciation and amortisation	(93,467)	(84,460)	(364,828)
Operating profit	**345,243**	**129,920**	**596,242**
Interest income	12,683	281	1,294
Interest expense	(65,477)	(66,119)	(252,663)
Loss on currency exchange	(4,408)	(15,124)	(88,888)
Profit before taxation	**288,041**	**48,958**	**255,985**
Taxation charge	(40,082)	(13,483)	(117,000)
Net profit	**247,959**	**35,475**	**138,985**
Total comprehensive income	**247,959**	**35,475**	**138,985**
Profit per ordinary stock unit in dollars – Basic & Diluted	0.29	0.04	0.16
Earnings before interest, tax, depreciation and amortisation/Revenue Ratio	12%	6%	7%

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

J$'000	UNAUDITED Three Months Jan to Mar 2015	UNAUDITED Three Months Jan to Mar 2014	AUDITED Year Jan to Dec 2014
Balance at beginning of period	**4,891,034**	**4,752,049**	**4,752,049**
Total comprehensive income	247,959	35,475	138,985
Balance at end of period	**5,138,993**	**4,787,524**	**4,891,034**

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

J$'000	UNAUDITED Three Months Jan to Mar 2015	UNAUDITED Three Months Jan to Mar 2014	AUDITED Year Jan to Dec 2014
Group net profit before taxation	**288,041**	**48,958**	**255,985**
Adjustment for non-cash items	151,157	164,685	693,433
	439,198	213,643	949,418
Change in working capital	(3,578)	(17,303)	(605,414)
Taxation paid	–	–	(304)
Net cash provided by operating activities	435,620	196,340	343,700
Net cash used in investing activities	(42,491)	(54,170)	(598,114)
Net cash (used in)/provided by financing activities	(28,064)	(3,887)	230,224
Increase/(decrease) in cash and short-term funds	365,065	138,283	(24,190)
Cash and short-term funds – beginning of period	177,917	202,107	202,107
Cash and short-term funds – end of period	**542,982**	**340,390**	**177,917**
Represented by:			
Cash and short-term deposits	**542,982**	**340,390**	**177,917**

DIRECTORS' STATEMENT

The Group reported a consolidated profit of $248 million for the first three months of 2015 compared to a profit of $35 million in the corresponding period of 2014, an improvement of $213 million. Total revenue was on par with the previous year, despite a decline in domestic sales volumes of 3%. However, an increase in clinker sales, lower energy costs, improvements in operational efficiencies, effective control of fixed costs and lower financing costs contributed to the improved financial performance. As a consequence of the TCL Group restructuring its debt with its lenders, our short-term loans have been reclassified to long-term liabilities. The Company's liquidity position has improved over the quarter and cash in bank has moved from $178 million to $543 million.

Outlook

The multilateral lending agencies continue to express confidence around Jamaica's economic prospects and local business and consumer confidence also hit a two-year high in the last quarter of 2014. The low oil price environment also provides an opportunity to consolidate the fiscal and structural reforms that can boost long-term growth and development. At the same time, lower electricity and fuel prices not only reduce our costs but create more disposal income in the marketplace. With the improved macroeconomic conditions, we have seen a small rise in domestic demand, and this is expected to hold going forward. We are encouraged with the improvement in the performance of the Company.

Christopher Dehring
Chairman
April 23, 2015

Alejandro Ramirez
Director/Group CEO (Ag)
April 23, 2015

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

J$'000	UNAUDITED 31.03.2015	UNAUDITED 31.03.2014	AUDITED 31.12.2014
Non-current assets	4,930,711	4,812,768	4,964,459
Current assets	4,584,178	4,186,355	4,610,139
Current liabilities	(2,829,322)	(2,865,749)	(3,816,511)
Non-current liabilities	(1,546,572)	(1,345,850)	(867,053)
Total net assets	**5,138,995**	**4,787,524**	**4,891,034**
Ordinary share capital	1,808,837	1,808,837	1,808,837
Preference share capital	5,077,760	5,077,760	5,077,760
Realised capital gain	1,413,661	1,413,661	1,413,661
Capital contribution	3,839,090	3,839,090	3,839,090
Accumulated losses	(7,000,353)	(7,351,824)	(7,248,314)
Group equity	**5,138,995**	**4,787,524**	**4,891,034**

SEGMENT INFORMATION

J$'000	Cement	Gypsum and Pozzolan	Adjustments and eliminations	Consolidated
Unaudited Three Months Jan to Mar 2015				
Revenue				
External customers	3,579,957	22,737	–	3,602,694
Inter-segment	3,357	62,874	(88,968)	(22,737)
Total Revenue	**3,583,314**	**85,611**	**(88,968)**	**3,579,957**
Depreciation and amortisation	88,106	5,361	–	93,467
Segment profit/(loss) before taxation	320,402	(32,361)	–	288,041
Operating assets	9,596,224	573,298	(654,633)	9,514,889
Operating liabilities	4,559,887	424,274	(608,267)	4,375,894
Capital expenditure	59,613	–	–	59,613
Unaudited Three Months Jan to Mar 2014				
Revenue				
External customers	3,592,610	24,745	–	3,617,355
Inter-segment	2,502	77,984	(93,647)	(13,161)
Total Revenue	**3,595,112**	**102,729**	**(93,647)**	**3,604,194**
Depreciation and amortisation	82,715	1,745	–	84,460
Segment profit before taxation	35,257	13,701	–	48,958
Operating assets	9,102,837	499,983	(603,697)	8,999,123
Operating liabilities	4,465,938	281,251	(535,590)	4,211,599
Capital expenditure	52,123	–	–	52,123
Audited Year Jan to Dec 2014				
Revenue				
External customers	14,312,206	43,811	–	14,356,017
Inter-segment	12,025	365,958	(377,983)	–
Total Revenue	**14,324,231**	**409,769**	**(377,983)**	**14,356,017**
Depreciation and amortisation	(352,577)	(12,251)	–	(364,828)
Segment profit/(loss) before taxation	265,369	(31,133)	21,749	255,985
Operating assets	9,333,249	389,706	(148,357)	9,574,598
Operating liabilities	4,582,716	202,845	(101,997)	4,683,564
Capital expenditure	540,472	57,642	–	598,114

NOTES

1. **Basis of Preparation**
The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summary financial statements are derived from the unaudited consolidated financial statements of Caribbean Cement Company Limited and its Subsidiaries (Group) for the period ended 31 March 2015, which are prepared in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

2. **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 31 December 2014, except that the Group has adopted all new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after 1 January 2015, and which are relevant to the Group's operations. The adoption of these standards and interpretations did not have any material effect on the Group's financial position or results.

3. **Segment Reporting**
Management's principal reporting and decision-making are by product and accordingly the segment information is so presented.

4. **Group Restructuring**
The Group has negotiated new terms under the Override Agreement with Lenders with the restructured debt agreements coming into effect as at March 30, 2015. The main elements of this restructuring include: reduction of the interest rate on the outstanding debt by a percentage equivalent to the Additional Margin (currently 2%); forgiveness of the default moratorium interest from September 30, 2014 (2%); adjustment to the amortisations of the debts based on TCL's new cash flow projections and the ability to prepay originally secured and unsecured debt on a discounted basis within 90 days of the effectiveness of the restructuring.

In addition to the debt restructuring, the Rights Issue was successfully concluded on March 31 2015, with 124.9 million shares being issued, bringing the total number of shares in issue to 374.6 million. The proceeds from the rights issue of TT$361.5 million will be utilised for investment in capital expenditure, replenishment of working capital, debt service and restructuring/transaction expenses.