

UNAUDITED RESULT

FOR THE SIX MONTHS ENDED JUNE 30, 2015

CHAIRMAN'S STATEMENT

Tanzania Portland Cement Company Limited (TPCC) recorded revenue of TZS 136bn in the first half of 2015. This is an increase of 18% compared with the same period in 2014. The increase in revenue is mainly the result of increased sales volumes.

The Operating profit for the period was impacted by increased production costs especially raw materials and fuel costs due to depreciation of TZS versus USD. The 20% decrease in Operating profit is mainly related to insurance proceeds of TZS 5bn in 2014.

Actual cashflow has improved due to fewer investments in the current year versus prior year.

INCOME STATEMENT	Jan - June 2015 TZS'000	Jan - June 2014 TZS'000	Change
Revenue	135,746,775	115,039,560	18%
Cost of sales	(82,876,849)	(64,578,398)	28%
Gross profit	52,869,926	50,461,162	5%
Selling and administrative expenses	(11,313,900)	(10,737,544)	5%
Other operating income/ (charges)	(2,268,550)	3,957,865	-157%
Depreciation and amortisation	(9,529,096)	(6,598,683)	44%
Operating profit	29,758,380	37,082,800	-20%
Financial items	2,102,081	1,938,241	8%
Profit before tax	31,860,461	39,021,041	-18%
Taxes on income	(9,689,570)	(11,879,382)	-18%
Net profit for the period	22,170,891	27,141,659	-18%
Number of shares	179,923,100	179,923,100	
Earnings per share (TZS)	123.22	150.85	-18%

BALANCE SHEET	30 June 2015 TZS'000	30 June 2014 TZS'000	Change
Assets			
Intangible fixed assets	409,501	89,205	359%
Tangible fixed assets	183,092,882	186,931,128	-2%
Non-current assets	183,502,383	187,020,333	-2%
Inventories	57,549,158	54,299,681	6%
Trade and other receivables	29,916,525	20,729,269	44%
Cash and cash equivalents	26,934,897	23,416,169	15%
Tax Asset	1,157,866	0	100%
Current assets	115,558,446	98,445,119	17%
Total assets	299,060,829	285,465,452	5%
Equity and Liabilities			
Equity	216,392,732	214,126,544	1%
Long-term provisions	7,317,677	3,975,085	84%
Provision for deferred taxes	29,267,297	25,763,733	14%
Interest bearing borrowings	226,638	277,001	-18%
Non-current liabilities	36,811,612	30,015,819	23%
Dividend Payable	2,731,390	2,999,400	-9%
Short term financial liabilities	37,563	40,081	-6%
Trade and other payables	43,087,532	31,399,354	37%
Taxes payables	0	6,884,254	-100%
Current liabilities	45,856,485	41,323,089	11%
Total equity and liabilities	299,060,829	285,465,452	5%

Prospects

Competition in the cement market is expected to further increase in the second half of the year. Nevertheless, TPCC enjoys a very good market position.

Dividend

The directors declare an interim dividend of TZS 95 per share (2014: TZS 70 per share) which will be paid on or about 31 October 2015.

The Register of the Members will close on 14 September 2015.

The last day of trading cum dividend will be 9 September 2015.

BY ORDER OF THE BOARD



Jean-Marc Junon
Chairman of the Board
18 August 2015

CASH FLOW STATEMENT	Jan - June 2015 TZS'000	Jan - June 2014 TZS'000
Profit before tax	31,860,461	39,021,041
Depreciation and amortisation	9,529,096	6,598,683
Income taxes paid	(11,007,930)	(5,565,648)
Change in working capital	(2,224,678)	(9,157,527)
Cash flow from operating activities	28,156,949	30,896,549
Cash flow from investing activities	(2,615,887)	(15,857,041)
Dividend paid	(35,444,850)	(35,085,005)
Change in borrowings	0	(26,374)
Change in cash and cash equivalents	(9,903,788)	(20,071,871)
Cash and equivalents 01.01	36,838,685	43,488,040
Change in cash	(9,903,788)	(20,071,871)
Cash and equivalents 30.06	26,934,897	23,416,169