

AUDITED RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2015

CHAIRMAN'S STATEMENT

Tanzania Portland Cement Company Limited (TPCC) confirmed its leadership in the cement market in 2015 and strengthened its brand image through quality, service excellence, and corporate social responsibility.

The Tanzanian economy grew at a pace of about 7% in 2015 (Source: TNBS) in line with the positive trend of previous years. The cement market was estimated to have grown at a similar rate.

INCOME STATEMENT	2015 TZS'000	2014 TZS'000	Change
Revenue	287,959,748	243,269,641	18%
Cost of sales	(170,653,395)	(135,610,833)	26%
Gross profit	117,306,353	107,658,808	9%
Selling and administrative expenses	(23,073,663)	(22,623,548)	2%
Other operating income/ (charges)	(1,176,522)	4,840,739	-124%
Depreciation and amortisation	(19,258,213)	(14,232,568)	35%
Operating profit	73,797,955	75,643,431	-2%
Financial items	7,055,138	3,376,391	109%
Profit before tax	80,853,093	79,019,822	2%
Taxes on income	(24,606,586)	(24,541,586)	1%
Profit for the year	56,246,507	54,478,236	3%
Other comprehensive income , net of tax	(25,050)	(889,355)	-97%
Total Comprehensive Income	56,221,457	53,588,881	5%
Number of Shares	179,923,100	179,923,100	
Earnings per share (TZS)	312.39	302.79	3%

BALANCE SHEET	2015 TZS'000	2014 TZS'000	Change
ASSETS			
Intangible fixed assets	4,283,530	504,635	
Tangible fixed assets	177,170,678	189,910,958	
Non-current assets	181,454,208	190,415,593	-5%
Inventories	56,099,518	58,332,930	
Current Income Tax Recoverable	0	419,772	
Trade and other receivables	33,921,231	27,113,863	
Cash and cash equivalents	37,165,038	36,840,134	
Current assets	127,185,787	122,706,699	4%
TOTAL ASSETS	308,639,995	313,122,292	-1%
EQUITY & LIABILITIES			
Equity	213,903,961	229,711,529	-7%
Long-term provisions	5,588,799	5,127,198	
Provision for deferred taxes	29,269,710	29,691,312	
Interest bearing borrowings	176,270	226,634	
Non-current liabilities	35,034,779	35,045,144	0%
Short term financial liabilities	55,285	64,004	
Trade & Other Payables	35,033,378	45,356,256	
Dividend payable	22,004,011	2,945,359	
Current Income tax payable	2,608,582	0	
Current liabilities	59,701,256	48,365,619	25%
TOTAL EQUITY & LIABILITIES	308,639,996	313,122,292	-1%

Ernst & Young
Certified Public Accountants
Dar-es-salaam
Tanzania

In 2015, TPCC recorded an increase in sales volumes of 22% versus 2014. This was a result of increased capacity, production efficiency and the consolidation of Twiga Extra as main product in its portfolio.

Total revenue increased by 44.6bn TZS. Profit for the year 2015 was 56.2bn TZS, 3% above 2014. This was despite 23% unfavourable exchange rate (TZS/USD) impacting fuel, spares and quarry services. This was offset through efficient variable cost management and fixed cost reduction.

Prospects

The cement demand in Tanzania and in the East-African region has been growing steadily over the last years. Having invested in expanded capacity, together with rehabilitation of the old clinker lines, TPCC is well placed to meet this growing demand.

Dividend


The Board proposes a dividend for 2015 of TZS 306 per share. This represents an increase of 14.6% compared to 2014 amount of TZS 267 per share. The proposed dividend includes two interim amounts of TZS 95 per share and TZS 111 per share paid in October 2015 and February 2016 respectively.

The Register of Members will close on 04-05-2016. The last day of trading cum dividend will be on 29-04-2016. The last dividend of TZS 100 per share will be paid on about 30 June 2016.

Appreciation

The Board would like to thank all TPCC's stakeholders for their support during the past year. We are confident that TPCC will continue to deliver value for the shareholders in the future.

BY ORDER OF THE BOARD


Jean-Marc Junon
Chairman of the Board
05-04-2016

CASH FLOW STATEMENT	2015 TZS'000	2014 TZS'000
Profit before tax	80,853,093	79,019,822
Depreciation & Amortisation	19,258,213	14,232,568
Interest received/ (paid)	754,225	381,053
Income taxes paid	(21,989,099)	(19,713,960)
Elimination of non cash items	(341,947)	5,757,884
Change in working capital	(14,735,647)	(10,880,562)
Cash flow from operating activities	63,798,838	68,796,805
Cash flows from investing activities	(10,417,869)	(29,558,514)
Dividend paid	(53,005,701)	(45,835,834)
Long term loan paid	(50,364)	(50,364)
Change in cash and cash equivalents	324,904	(6,647,906)
Cash and equivalents 01.01	36,840,134	43,488,040
Change in cash	324,904	(6,647,906)
Cash and equivalents 31.12	37,165,038	36,840,134

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