

# UNAUDITED RESULT

## FOR THE SIX MONTHS ENDED JUNE 30, 2016

### CHAIRMAN'S STATEMENT

Tanzania Portland Cement Company Limited (TPCC) recorded revenue of TZS 142bn in the first half of 2016. This is an increase of 5% compared with the same period in 2015. The increase in revenue is mainly the result of higher sales volumes driven by growing cement demand as well as overall improvement of performance.

Despite an unfavourable exchange rate TZS vs USD compared to the same period of 2015, and therefore higher variable costs, the operating profit for the period has increased by 3%. TPCC continues to focus on operational excellence with the investment in the new ERP system and the Continuous Improvement Program (CIP) as well as the Customer Excellence Program.

### Prospects

Competition in the market is expected to further increase in the second half of the year. TPCC will continue to work to maintain its market leadership position.

### Dividend

The directors declare an interim dividend of TZS 120 per share (2015: TZS 95 per share) which will be paid on or about 31 October 2016.

The Register of the Members will close on 23 September 2016.

The last day of trading cum dividend will be 20 September 2016.

### BY ORDER OF THE BOARD



**Alfonso Rodriguez**  
Chairman of the Board  
23 August 2016

INCOME STATEMENT	Jan - June 2016 TZS'000	Jan - June 2015 TZS'000	Change
Revenue	142,354,100	135,746,775	5%
Cost of sales	(89,157,602)	(82,876,849)	8%
<b>Gross profit</b>	<b>53,196,498</b>	<b>52,869,926</b>	<b>1%</b>
Selling and administrative expenses	(12,659,745)	(11,313,900)	12%
Other operating income/ (charges)	(821,769)	(2,268,550)	-64%
Depreciation and amortisation	(9,090,627)	(9,529,096)	-5%
<b>Operating profit</b>	<b>30,624,357</b>	<b>29,758,380</b>	<b>3%</b>
Financial items	2,037,931	2,102,081	-3%
<b>Profit before tax</b>	<b>32,662,288</b>	<b>31,860,461</b>	<b>3%</b>
Taxes on income	(9,942,463)	(9,689,570)	3%
<b>Net profit for the period</b>	<b>22,719,825</b>	<b>22,170,891</b>	<b>2%</b>
Number of shares	179,923,100	179,923,100	
Earnings per share (TZS)	126.28	123.22	2%

BALANCE SHEET	30 June 2016 TZS'000	30 June 2015 TZS'000	Change
<b>Assets</b>			
Intangible fixed assets	4,445,773	409,501	986%
Tangible fixed assets	170,022,594	183,092,882	-7%
<b>Non-current assets</b>	<b>174,468,367</b>	<b>183,502,383</b>	<b>-5%</b>
Inventories	56,502,105	57,549,158	-2%
Trade and other receivables	34,484,527	29,916,525	15%
Cash and cash equivalents	16,543,926	26,934,897	-39%
Tax Asset	0	1,157,866	-100%
<b>Current assets</b>	<b>107,530,558</b>	<b>115,558,446</b>	<b>-7%</b>
<b>Total assets</b>	<b>281,998,925</b>	<b>299,060,829</b>	<b>-6%</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>	<b>218,598,893</b>	<b>216,392,732</b>	<b>1%</b>
Long-term provisions	6,848,169	7,317,677	-6%
Provision for deferred taxes	29,166,975	29,267,297	-3%
Interest bearing borrowings	0	226,638	-100%
<b>Non-current liabilities</b>	<b>36,015,144</b>	<b>36,811,612</b>	<b>-2%</b>
Dividend Payable	3,119,053	2,731,390	14%
Short term financial liabilities	33,367	37,563	-11%
Trade and other payables	23,901,895	43,087,532	-45%
Taxes payables	330,574	0	100%
<b>Current liabilities</b>	<b>27,384,889</b>	<b>45,856,485</b>	<b>-40%</b>
<b>Total equity and liabilities</b>	<b>281,998,925</b>	<b>299,060,829</b>	<b>-6%</b>

CASH FLOW STATEMENT	Jan - June 2016 TZS'000	Jan - June 2015 TZS'000
Profit before tax	32,662,288	31,860,461
Depreciation and amortisation	9,090,627	9,529,096
Income taxes paid	(12,468,095)	(11,007,930)
Change in working capital	(10,786,855)	(2,224,678)
<b>Cash flow from operating activities</b>	<b>18,497,965</b>	<b>28,156,949</b>
<b>Cash flow from investing activities</b>	<b>(2,040,354)</b>	<b>(2,615,887)</b>
Dividend paid	(37,078,723)	(35,444,850)
Change in borrowings	0	0
<b>Change in cash and cash equivalents</b>	<b>(20,621,112)</b>	<b>(9,903,788)</b>
Cash and equivalents 01.01	37,165,038	36,838,685
Change in cash	(20,621,112)	(9,903,788)
Cash and equivalents 30.06	16,543,926	26,934,897

Tanzania Portland Cement Company Limited  
P.O.Box 1950  
Dar-es-salaam  
Tanzania.  
Tel +255784108600 Fax: +255784108609  
www.twigacement.com  
Email: info@twigacement.com