

# UNAUDITED RESULTS

## FOR THE SIX MONTHS ENDED JUNE 30, 2017

### CHAIRMAN'S STATEMENT

Tanzania Portland Cement Company Limited (TPCC) recorded revenue of TZS 119bn in the first half of 2017. This is a decrease of 16% compared with the same period in 2016. The decrease in revenue is mainly because of the lower price as a result of increased competition in the market.

Management continues to exercise strict cost controls which are represented by decrease in cost of sales of 7% and selling and administrative expenses by 14%.

TPCC continues to defend its market leadership through strong customer relations.

### Prospects

The market situation remains challenging but TPCC will continue to work to maintain its market leadership position.

### Dividend

Despite drops in results the Directors declare an interim dividend of TZS 120 per share (2016: TZS 120 per share) which will be paid on or about 31 October 2017.

The Register of the Members will close on 25 September 2017. The last day of trading cum dividend will be 20 September 2017.

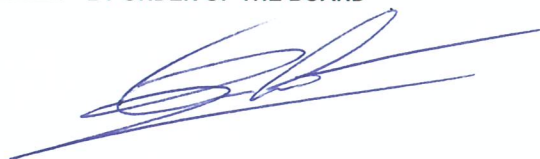
INCOME STATEMENT	Jan - June 2017 TZS'000	Jan - June 2016 TZS'000
Revenue	119,605,632	142,354,100
Cost of sales	(82,573,256)	(89,157,602)
<b>Gross profit</b>	<b>37,032,376</b>	<b>53,196,498</b>
Selling and administrative expenses	(10,918,427)	(12,659,745)
Other operating income/ (charges)	(155,857)	(821,769)
Depreciation and amortisation	(8,945,210)	(9,090,627)
<b>Operating profit</b>	<b>17,012,882</b>	<b>30,624,357</b>
Financial items	863,055	2,037,931
<b>Profit before tax</b>	<b>17,875,937</b>	<b>32,662,288</b>
Taxes on income	(5,525,020)	(9,942,463)
<b>Net profit for the period</b>	<b>12,350,917</b>	<b>22,719,825</b>
Number of shares	179,923,100	179,923,100
Earnings per share (TZS)	68.65	126.28

BALANCE SHEET	30 June 2017 TZS'000	30 June 2016 TZS'000
<b>Assets</b>		
Intangible fixed assets	3,098,524	4,445,773
Tangible fixed assets	154,817,351	170,022,594
<b>Non-current assets</b>	<b>157,915,875</b>	<b>174,468,367</b>
Inventories	53,552,966	56,502,105
Trade and other receivables	39,383,303	34,484,527
Cash and cash equivalents	15,620,768	16,543,926
Tax Asset	4,264,226	0
<b>Current assets</b>	<b>112,821,263</b>	<b>107,530,558</b>
<b>Total assets</b>	<b>270,737,138</b>	<b>281,998,925</b>

### Equity and Liabilities

<b>Equity</b>	<b>198,735,711</b>	<b>218,598,893</b>
Long-term provisions	7,414,834	6,848,169
Provision for deferred taxes	26,002,540	29,166,975
<b>Non-current liabilities</b>	<b>33,417,374</b>	<b>36,015,144</b>
Dividend Payable	3,288,881	3,119,053
Short term financial liabilities	0	33,367
Trade and other payables	35,295,172	23,901,895
Taxes payables		330,574
<b>Current liabilities</b>	<b>38,584,053</b>	<b>27,384,889</b>
<b>Total equity and liabilities</b>	<b>270,737,138</b>	<b>281,998,925</b>

### BY ORDER OF THE BOARD



**Hakan Gurdal**  
Chairman of the Board  
29 August 2017

CASH FLOW STATEMENT	Jan - June 2017 TZS'000	Jan - June 2016 TZS'000
Profit before tax	17,875,937	32,662,288
Depreciation and amortisation	8,945,210	9,090,627
Income taxes paid	(8,670,093)	(12,468,095)
Change in working capital	1,431,672	(10,768,855)
<b>Cash flow from operating activities</b>	<b>19,582,726</b>	<b>18,497,965</b>
<b>Cash flow from investing activities</b>	<b>(909,652)</b>	<b>(2,040,354)</b>
Dividend paid	(26,227,975)	(37,078,723)
<b>Change in cash and cash equivalents</b>	<b>(7,554,901)</b>	<b>(20,621,112)</b>
Cash and equivalents 01.01	23,175,669	37,165,038
Change in cash	(7,554,901)	(20,621,112)
Cash and equivalents 30.06	15,620,768	16,543,926