



HEIDELBERGCEMENT Group

# AUDITED RESULTS

## FOR THE YEAR ENDED 31 DECEMBER 2018

### CHAIRMAN'S STATEMENT

The year of 2018 saw continued growth in the local cement industry, with the market increasing at a higher rate than in previous years. Competition was again fierce, and yet despite the cement over capacity in the local market, TPCPLC once again strengthened its market leadership.

The efforts made throughout the year on the operational side to increase clinker production, whilst overcoming technical challenges, combined with the focus on producing and selling high quality products, whilst maintaining strong customer relationships and service excellence, has allowed TPCPLC to report an improved full year result.

Total volumes sold in 2018 increased by 9% on 2017, and with revenue also increasing by 28%, this resulted in an operating profit of TZS 80.1Bn being recorded, a 28% increase on the previous full year result.

INCOME STATEMENT	2018	2017
	TZS'000	TZS'000
Revenue	348,863,384	273,157,459
Cost of sales	(223,923,847)	(189,852,039)
<b>Gross profit</b>	<b>124,939,537</b>	<b>83,305,420</b>
Selling and administrative expenses	(27,221,412)	(25,029,949)
Other operating income	148,927	22,463,707
Depreciation and amortization	(17,806,015)	(18,066,388)
<b>Operating profit</b>	<b>80,061,037</b>	<b>62,672,790</b>
Financial items	1,683,745	2,925,035
<b>Profit before tax</b>	<b>81,744,782</b>	<b>65,597,825</b>
Taxes on income	(24,878,688)	(30,001,432)
<b>Net profit for the period</b>	<b>56,866,094</b>	<b>35,596,393</b>
Other comprehensive income, net of tax	(403,822)	(1,362,319)
<b>Total comprehensive income</b>	<b>56,462,272</b>	<b>34,234,074</b>
Number of shares	179,923,100	179,923,100

BALANCE SHEET	2018	2017
	TZS'000	TZS'000
<b>Assets</b>		
Intangible fixed assets	1,304,535	2,635,382
Tangible fixed assets	140,948,038	150,539,113
Non-current financial assets	7,513,661	16,749,420
<b>Non current assets</b>	<b>149,766,234</b>	<b>169,923,915</b>
Inventories	55,104,226	41,711,116
Trade and other receivables	44,712,022	37,662,988
Other current financial assets	7,191,052	4,114,476
Cash and cash equivalents	65,987,258	34,739,002
<b>Currents assets</b>	<b>172,994,558</b>	<b>118,227,582</b>
<b>Total assets</b>	<b>322,760,792</b>	<b>288,151,497</b>

<b>Equity and Liabilities</b>		
<b>Equity</b>	<b>224,935,758</b>	<b>186,465,797</b>
Long term provisions	8,205,223	6,867,069
Provision for deferred taxes	21,035,003	25,220,943
<b>Non current liabilities</b>	<b>29,240,226</b>	<b>32,088,012</b>
Dividend payable	3,850,962	15,519,795
Trade and other payables	61,158,088	45,643,564
Taxes payables	3,575,758	8,434,329
<b>Current liabilities</b>	<b>68,584,808</b>	<b>69,597,688</b>
<b>Total equity and liabilities</b>	<b>322,760,792</b>	<b>288,151,497</b>

### Prospects

The company continues to face increasing competition, but TPCPLC will continue to work to maintain its market leadership position.

### Dividend

The Board proposes a dividend for 2018 of TZS 290 per share, same as for the previous year.

The Register of Members will close on 8 May 2019, and the last day of trading cum dividend will be 3 May 2019. The dividend will be paid on or about 30 June 2019.

### Appreciation

The Board would like to thank all its stakeholders for their support during the year. We have every confidence that TPCPLC will continue to deliver value for the shareholders in the future.

These financial statements were approved by the Board of Directors on 8 April 2019

### BY ORDER OF THE BOARD

Alfonso Velez  
For Chairman of the Board  
10 April 2019

STATEMENT OF CASH FLOW	2018	2017
	TZS'000	TZS'000
Profit before tax	81,744,782	65,597,825
Depreciation and amortisation	17,806,015	18,066,388
Interest received	1,350,833	867,496
Income tax paid	(31,997,950)	(20,645,696)
Elimination of non cash items	(1,354,655)	(25,539,694)
Change in working capital	(4,522,481)	24,333,732
<b>Cash flow from operating activities</b>	<b>63,026,544</b>	<b>62,680,051</b>
<b>Cash flow from investing activities</b>	<b>(2,117,144)</b>	<b>(2,934,268)</b>
Dividend paid	(29,661,144)	(48,182,450)
<b>Change in cash and cash equivalents</b>	<b>31,248,256</b>	<b>11,563,333</b>
Cash and cash equivalent 01.01	34,739,002	23,175,669
Change in cash	31,248,256	11,563,333
<b>Cash and cash equivalent 31.12</b>	<b>65,987,258</b>	<b>34,739,002</b>

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