



**CARIBBEAN
CEMENT
COMPANY
LIMITED**

CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2006

CONSOLIDATED STATEMENT OF EARNINGS

J\$'000	UNAUDITED 3 Months 30.09.2006	UNAUDITED 3 Months 30.09.2005	UNAUDITED 9 Months 30.09.2006	UNAUDITED 9 Months 30.09.2005	AUDITED Year Ended 31.12.2005
SALES (CEMENT TONNES)	214,690	203,449	657,288	664,631	856,162
REVENUE	1,826,387	1,449,106	5,085,491	4,545,278	5,999,295
OPERATING PROFIT/(LOSS)	253,876	(92,747)	118,939	319,569	245,293
Finance Cost - Net	(4,976)	(16,782)	(89,336)	(32,636)	(29,842)
Claims - nonconforming cement	(100,000)	-	(260,000)	-	-
Profit/(Loss) Before Taxation	148,900	(109,529)	(230,397)	286,933	215,451
Taxation	4,328	59,046	149,323	(43,637)	(46,524)
GROUP NET PROFIT/(LOSS) AFTER TAXATION	153,228	(50,483)	(81,074)	243,296	168,927
Earnings per ordinary stock unit					
Cents - Basic & Diluted	18.00	(5.93)	(9.53)	28.58	19.85
Operating Profit/Revenue Ratio	14%	(6)%	2%	7%	4%

DIRECTORS' STATEMENT

For the third quarter ending September 30, 2006, the Group achieved a net profit of \$153.2M and this is after increasing the provision for claims from customers with respect to non-conforming cement by \$100M. The Group net loss of (\$81.1M) reported for the nine month period this year is to be compared to a net profit of \$243.3M for the same period last year, and includes previously reported losses of (\$190.6M) and (\$43.7M) in the first and second quarters respectively.

Sales volume of 215,000 tonnes for the third quarter exceeded the same period's performance in 2005 by 5.5%, and, for the nine month period, is only 1% below nine month volumes in 2005, having been 4% below at the half-year and 7.8% below at the end of the first quarter.

Sales revenue of \$5,085M for the nine month period is 12% more than for the same period last year, following price increases implemented to partially offset the rising costs of fuel and electricity.

Clinker production of 156,000 tonnes for the third quarter was comparable to the 157,000 tonnes produced in the second quarter, while cement production of 218,000 tonnes for the third quarter exceeded the 183,000 tonnes produced in the second quarter. Continuing improvements in energy efficiency, with improved production volumes, assisted in mitigating high fuel costs and improving operational efficiencies. During the third quarter 24,000 tonnes of cement were imported, bringing the total for the nine months to 104,000 tonnes.

Using the services of independent valuers, we continue to process claims from customers in respect of non-conforming cement regrettably released into the market in the first quarter. Although the number of new claims is now small, we did receive a significant number of claims during the third quarter which gave rise to the increased provision of \$100M in this quarter. The processing of all claims received is substantially advanced and we expect to complete the exercise by early December.

OUTLOOK

The forecast production volumes, efficiencies, revenue and the improved profit margin for the last quarter of the year should result in a full recovery of the net loss sustained in the first nine months.

The expansion and modernization programme continues to be on schedule for production to commence in early 2008.

Brian Young
Chairman
November 3, 2006

Dr. Rollin Bertrand
Director/Group CEO
November 3, 2006

CONSOLIDATED BALANCE SHEET

J\$'000	UNAUDITED As At 30.09.2006	UNAUDITED As At 30.09.2005	AUDITED As At 31.12.2005
Non-Current Assets	4,089,970	2,716,922	3,701,729
Current Assets	2,030,796	2,006,128	1,930,639
Current Liabilities	(2,434,303)	(1,624,022)	(1,983,900)
Non-Current Liabilities	(1,086,177)	(228,636)	(881,775)
Total Net Assets	2,600,286	2,870,392	2,766,693
Share Capital	425,569	425,569	425,569
Reserves	1,844,749	2,001,078	1,925,823
Shareholders' Equity	2,270,318	2,426,647	2,351,392
Deferred Gain	329,968	443,745	415,301
Group Equity	2,600,286	2,870,392	2,766,693

CONSOLIDATED CASH FLOW STATEMENT

J\$'000	UNAUDITED 9 Months 30.09.2006	UNAUDITED 9 Months 30.09.2005	AUDITED Year Ended 31.12.2005
Group Net (Loss)/Profit after Taxation	(81,074)	243,296	168,927
Adjustment for non-cash items	(37,216)	158,803	216,971
	(118,290)	402,099	385,898
Change in working capital	249,867	(409,704)	(1,787)
Taxation paid	-	(207,188)	(207,188)
Net cash (used in)/generated by operating activities	131,577	(214,793)	176,923
Net cash used in investing activities	(637,734)	(281,268)	(906,817)
Net cash generated by financing activities	405,778	309,823	701,147
Decrease in cash and short term funds	(100,379)	(186,238)	(28,747)
Cash and short term funds - beginning of period	(7,000)	21,747	21,747
Cash and short term funds - end of period	(107,379)	(164,491)	(7,000)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

J\$'000	UNAUDITED 9 Months 30.09.2006	UNAUDITED 9 Months 30.09.2005	AUDITED Year Ended 31.12.2005
Balance at beginning of period	2,351,392	2,242,045	2,242,045
Net Profit for period	(81,074)	243,296	168,927
Dividends	-	(58,694)	(59,580)
Balance at end of period	2,270,318	2,426,647	2,351,392

Note:

1. Accounting Policies

Accounting policies used in the preparation of these financial statements are consistent with those used in the audited financial statements for the year ended December 31, 2005.