CARIBBEAN CEMENT COMPANY LIMITED

CARIB CEMENT

CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2011

ONE CARIBBEAN... ONE COMPANY

A member of the TCL GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

J$'000	UNAUDITED Three Months Jul to Sep 2011	UNAUDITED Three Months Jul to Sep 2010	UNAUDITED Nine Months Jan to Sep 2011	UNAUDITED Nine Months Jan to Sep 2010	AUDITED Year Jan to Dec 2010
Sales (Cement Tonnes) – Local	133,961	117,131	412,677	410,007	531,605
Sales (Cement Tonnes) – Export	74,868	43,722	176,110	132,805	195,163
Sales (Clinker Tonnes) – Export	3,301	21,212	31,228	48,669	69,418
Revenue	**2,046,831**	**1,851,928**	**6,075,374**	**6,134,928**	**7,929,783**
Operating loss	**(706,933)**	**(1,293,009)**	**(1,773,662)**	**(1,552,887)**	**(2,010,378)**
Interest Income	55	112	782	589	812
Interest expense	(108,182)	(83,177)	(325,705)	(234,955)	(333,452)
(Loss)/gain on currency exchange	(12,438)	(11,313)	(15,312)	80,398	100,658
Loss before taxation	**(827,498)**	**(1,387,387)**	**(2,113,897)**	**(1,706,855)**	**(2,242,360)**
Taxation credit	276,191	462,857	705,033	568,928	685,167
Loss for the year	**(551,307)**	**(924,530)**	**(1,408,864)**	**(1,137,927)**	**(1,557,193)**
Total Comprehensive loss	**(551,307)**	**(924,530)**	**(1,408,864)**	**(1,137,927)**	**(1,557,193)**
Loss per ordinary stock unit Cents – Basic & Diluted	($0.65)	($1.09)	($1.66)	($1.34)	($1.83)
Operating (Loss) /Revenue Ratio	(35%)	(70%)	(29%)	(25%)	(25%)

CONSOLIDATED STATEMENT OF CASH FLOWS

J$'000	UNAUDITED Nine Months Jan to Sep 2011	UNAUDITED Nine Months Jan to Sep 2010	AUDITED Year Jan to Dec 2010
Loss before taxation	**(2,113,897)**	**(1,706,855)**	**(2,242,360)**
Adjustment for non-cash items	637,268	435,449	623,207
	(1,476,629)	(1,271,406)	(1,619,153)
Changes in working capital	1,448,014	(11,532)	832,780
Interest and taxation paid	(66,581)	(110,774)	(224,684)
Net cash used in operating activities	(95,196)	(1,393,712)	(1,011,057)
Net cash used in investing activities	(82,930)	(299,470)	(362,038)
Net cash provided by financing activities	127,543	1,476,726	1,277,122
Decrease in cash and short term funds	(50,583)	(216,456)	(95,973)
Cash and short term funds – beginning of period	(14,097)	81,876	81,876
Cash and short term funds – end of period	**(64,680)**	**(134,580)**	**(14,097)**
Represented by:			
Cash and short-term deposits	62,997	41,003	154,056
Bank overdraft	(127,677)	(175,583)	(168,153)
	(64,680)	**(134,580)**	**(14,097)**

DIRECTORS' STATEMENT

The Group has recorded a consolidated loss of $1.41b for the first nine months of the year. This compares with a loss of $1.14b over the first nine months of 2010. The third quarter's loss of $551m does however represent an improvement over the 2nd quarter performance of a loss of $649m and the 2010 3rd quarter loss of $925m.

Revenues in 2011 have shown a marginal decline over the comparative period of the prior year, despite a 9% increase in sales volumes, which have been driven by a 33% increase in export sales volumes. The lower revenues are mainly as a result of lower domestic selling prices, following a price roll back in October 2010. Unfortunately, sustained higher energy prices have driven costs up, thereby eroding the production and market gains. Electricity prices have risen 47% when compared to the prior year and kiln fuel costs have gone up by 23%. After discounting for the increased volumes (clinker and cement production improved over 2010 to meet the increased sales volumes, by 7% and 8% respectively), the energy impact on our manufacturing costs due to the higher energy prices has been $630m. These cost increases have not yet been addressed through a price correction.

Outlook

Domestic sales have continued to show a small rebound and the free fall of the market over the last three years appears to be behind us. While this growth is expected to be maintained, it will be slow and it must also be recognised that several threats to sustained macroeconomic growth remain. As such we will continue to remain focused on effective cost management, reducing manufacturing costs, reducing distribution costs and optimising our selling prices. We have also continued to work on gaining entry to new markets in South America.

The debt-profiling exercise being undertaken by the parent company has now been substantially negotiated and a formal agreement with the lenders is expected to be concluded in the coming months.

Brian Young
Chairman
November 11, 2011

Dr. Rollin Bertrand
Director/Group CEO
November 11, 2011

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

J$'000	UNAUDITED Nine Months Jan to Sep 2011	UNAUDITED Nine Months Jan to Sep 2010	AUDITED Year Jan to Dec 2010
Balance at beginning of period	**3,022,553**	**3,240,096**	**3,240,096**
Issue of Preference Share	–	1,339,650	1,339,650
Total Comprehensive loss	(1,408,864)	(1,137,927)	(1,557,193)
Balance at end of period	**1,613,689**	**3,441,819**	**3,022,553**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

J$'000	UNAUDITED 30.09.2011	UNAUDITED 30.09.2010	AUDITED 31.12.2010
Non-Current Assets	6,536,761	5,766,892	6,040,760
Current Assets	3,342,199	2,912,872	3,158,828
Current Liabilities	(3,589,482)	(3,133,979)	(3,998,079)
Non-Current Liabilities	(4,675,789)	(2,103,966)	(2,178,956)
Total Net Assets	**1,613,689**	**3,441,819**	**3,022,553**
Share Capital	1,808,837	1,808,837	1,808,837
Preference share	1,339,650	1,339,650	1,339,650
Reserves	(1,534,798)	293,332	(125,934)
Group Equity	**1,613,689**	**3,441,819**	**3,022,553**

SEGMENT INFORMATION

J$'000	Cement	Gypsum and Pozzolan	Adjustments and Eliminations	Consolidated
UNAUDITED NINE MONTHS JAN TO SEP 2011				
Revenue				
External Customers	5,980,513	94,861	-	6,075,374
Inter-segment	6,891	142,085	(148,976)	-
Total Revenue	**5,987,404**	**236,946**	**(148,976)**	**6,075,374**
Depreciation and amortisation	285,550	11,977	-	297,527
Segment loss	(1,995,538)	(118,360)	-	(2,113,898)
Operating assets	9,812,954	336,903	(270,897)	9,878,960
Operating liabilities	8,315,253	116,632	(166,614)	8,265,271
Capital expenditure	69,161	421	-	69,582
UNAUDITED NINE MONTHS JAN TO SEP 2010				
Revenue				
External Customers	5,959,462	175,466	-	6,134,928
Inter-segment	6,715	192,368	(199,083)	-
Total Revenue	**5,966,177**	**367,834**	**(199,083)**	**6,134,928**
Depreciation and amortisation	270,943	13,818	-	284,761
Segment profit before taxation	(1,557,423)	14,424	(163,856)	(1,706,855)
Operating assets	8,250,925	410,830	18,009	8,679,764
Operating liabilities	5,478,526	65,019	(305,600)	5,237,945
Capital expenditure	293,855	5,616	-	299,471
AUDITED YEAR JAN TO DEC 2010				
Revenue				
External Customers	7,747,425	182,358	-	7,929,783
Inter-segment	9,620	281,096	(290,716)	-
Total Revenue	**7,757,045**	**463,454**	**(290,716)**	**7,929,783**
Depreciation and amortisation	368,710	18,142	-	386,852
Segment (loss) /profit before taxation	(2,243,892)	(14,703)	16,235	(2,242,360)
Operating assets	9,030,950	371,070	(202,432)	9,199,588
Operating liabilities	6,203,292	71,892	(98,149)	6,177,035
Capital expenditure	356,429	5,731	-	362,160

NOTES

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, 2010. The Group has adopted all new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after January 1, 2011 and which are relevant to the Group's operations. The adoption of these standards and interpretations did not have any material effect on the Group's financial position or results.

2. Segment Information

Management's prinicipal reporting and decision-making are by product and accordingly the segment information is so presented.

3. Going Concern

Caribbean Cement Company Limited and its subsidiaries (CCCL Group) reported significant losses for the year 2010 and nine months ended September 30, 2011. As a consequence there was a deterioration in working capital which necessitated the rescheduling of amounts due to the parent company. The parent company, Trinidad Cement Limited is in default of its obligations under several loan agreements and as such lenders could demand immediate repayment which TCL is not in a position to meet. CCCL's major productive assets which are leased from TCL and its own fixed and floating assets are included in the security for these loans and should lenders enforce their security, there is a material risk that CCCL may not be able to continue as a going concern.

TCL embarked on negotiations with its lenders for a re-profiling of its debts and there is agreement in principle on the terms and structure of the re-profiling. The re-profiling exercise is in the approval and documentation phase and is expected to be completed by January 2012. Upon the successful re-profiling of TCL's debt, directors propose to negotiate with TCL a reduction in the lease charges to the CCCL Group. Additionally, a number of significant new sales contracts are being pursued which have the potential to return CCCL to profitability.

The directors have a reasonable expectation that the CCCL Group will have, based on the plans and strategies as outlined in the preceding paragraph, adequate cash flows and profitability that will allow the CCCL Group to continue in operational existence in the foreseeable future. For these reasons, the directors continue to adopt the going concern basis in preparing these financial statements.