

Lafarge Surma Cement Ltd.

A company of **LAFARGE** and **CEMENTOS MOLINS**

1st Quarter Financial Statements-2011 (Un-audited)

*Complying with Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 of the Securities and Exchange Commission

*The details of the published quarterly financial statements are available in the web-site of the Company. The address of the web-site is: www.lafarge-bd.com

Balance Sheet (Un Audited) As at 31 March 2011

	31 Mar 2011 Taka '000	31 Dec 2010 Taka '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	12,506,135	12,629,749
Intangible assets	6,141	6,939
Investment in subsidiaries	519,892	519,892
Loan to subsidiary company	1,186,490	1,154,028
Deferred income tax assets	26,526	-
	14,245,184	14,310,608
CURRENT ASSETS		
Inventories	1,248,464	1,085,140
Trade receivables	147,824	133,171
Accrued interest	280,269	264,089
Advances, deposits & prepayments	637,892	601,012
Derivative instruments-assets	3,444	1,429
Cash and cash equivalents	23,346	163,248
	2,341,239	2,248,089
TOTAL ASSETS	16,586,423	16,558,697
LIABILITIES		
Share capital	5,806,868	5,806,868
Accumulated loss	(2,079,333)	(1,577,824)
SHAREHOLDERS' EQUITY	3,727,535	4,229,044
NON-CURRENT LIABILITIES		
Long-term debt	3,574,654	3,000,781
Deferred income tax liabilities	-	172,993
Contribution to employee benefits	53,500	52,982
	3,628,154	3,226,756
CURRENT LIABILITIES		
Trade payables	1,848,710	1,318,338
Other payables	252,674	341,387
Derivative instruments-liabilities	15,036	18,029
Current portion of long term debt	800,698	1,780,227
Bank overdrafts	2,418,257	583,683
Short-term debt	3,894,108	5,059,982
Income tax payable	1,251	1,251
	9,230,734	9,102,897
TOTAL EQUITY AND LIABILITIES	16,586,423	16,558,697

Finance Director

Managing Director

Income Statement (Un Audited) For the period from 1 January to 31 March 2011

	Jan-Mar 2011 Taka '000	Jan-Mar 2010 Taka '000
REVENUE	1,160,512	2,177,348
Cost of sales	(1,294,013)	(1,356,206)
GROSS PROFIT	(133,501)	821,142
General and administrative expenses	(79,007)	(105,430)
Selling and distribution expenses	(13,182)	(31,738)
Other income	(121,905)	435
OPERATING INCOME	(347,595)	684,409
Exchange (loss)/income on foreign currency translation	(149,006)	33,155
Finance costs	(218,997)	(180,426)
Finance income	14,570	9,188
Contribution to Workers' Profit Participation and Welfare Funds	-	(27,316)
NET (LOSS)/PROFIT BEFORE TAX	(701,028)	519,010
Income tax	199,519	(203,286)
NET (LOSS)/PROFIT AFTER TAX	(501,509)	315,724
Earnings per share (Taka)	(8.64)	5.44

Finance Director

Managing Director

Statement of Changes in Shareholders' Equity (Un-audited) For the period from 1 January to 31 March 2011

	Jan-Mar 2011 in Taka'000			Jan-Mar 2010 in Taka'000		
	Share Capital	Accumulated loss	Total	Share Capital	Accumulated loss	Total
Balance as on 1 January	5,806,868	(1,577,824)	4,229,044	5,806,868	(1,053,857)	4,753,011
Net (Loss)/profit after tax for the period	-	(501,509)	(501,509)	-	315,724	315,724
Balance as at 31 March	5,806,868	(2,079,333)	3,727,535	5,806,868	(738,133)	5,068,735

Finance Director

Managing Director

Consolidated Balance Sheet (Un Audited) As at 31 March 2011

	31 Mar 2011 Taka '000	31 Dec 2010 Taka '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	14,296,935	14,377,748
Intangible assets	1,304,428	1,219,460
Deferred income tax assets	26,526	-
	15,627,889	15,597,208
CURRENT ASSETS		
Inventories	1,373,985	1,146,423
Trade receivables	147,824	133,171
Advances, deposits & prepayments	954,620	861,882
Derivative instruments-assets	3,444	1,429
Cash and cash equivalents	29,684	174,691
	2,509,557	2,317,596
TOTAL ASSETS	18,137,446	17,914,804
LIABILITIES		
Share capital	5,806,868	5,806,868
Accumulated loss	(3,816,418)	(3,174,778)
Foreign currency translation	103,250	135,946
SHAREHOLDERS' EQUITY- PARENT COMPANY	2,093,700	2,768,036
Share money deposits	459	443
EQUITY	2,094,159	2,768,479
NON-CURRENT LIABILITIES		
Long-term debt	5,443,475	4,713,556
Deferred income tax liabilities	-	172,993
Contribution to employee benefits	56,800	56,174
	5,500,275	4,942,723
CURRENT LIABILITIES		
Trade payables	2,008,000	1,462,654
Other payables	296,782	390,035
Derivative instruments-liabilities	15,036	18,029
Current portion of long term debt	944,995	2,017,604
Bank overdrafts	2,488,519	633,261
Short-term debt	4,788,429	5,680,768
Income tax payable	1,251	1,251
	10,543,012	10,203,602
TOTAL EQUITY AND LIABILITIES	18,137,446	17,914,804

Finance Director

Managing Director

Cash Flow Statement (Un-audited) For the period from 1 January to 31 March 2011

	Jan-Mar 2011 Taka '000	Jan-Mar 2010 Taka '000
Cash Flows From Operating Activities		
Cash received from customers	1,127,885	2,356,119
Payment for cost and expenses	(1,082,745)	(1,235,056)
Advance income tax by deduction	(29,949)	(13,660)
Interest paid	(218,997)	(238,827)
Other income	471	435
	(203,335)	869,011
Cash Flows From Investing Activities		
Acquisition of property, plant and equipment	(18,153)	(74,679)
Disposal of property, plant and equipment	9	36
	(18,144)	(74,643)
Cash Flows From Financing Activities		
Long term loan	(587,123)	(839,513)
Bank overdrafts	1,834,574	(536,013)
Short term loan	(1,165,874)	601,385
	81,577	(774,141)
Net Cash flow for the period	(139,902)	20,227
Cash and Cash Equivalents at Beginning of the Period	163,248	70,039
Cash and Cash Equivalents at End of the Period	23,346	90,266
	(139,902)	20,227

Finance Director

Managing Director

Consolidated Income Statement (Un-audited) For the period from 1 January to 31 March 2011

	Jan-Mar 2011 Taka '000	Jan-Mar 2010 Taka '000
REVENUE	1,160,512	2,177,348
Cost of sales	(1,357,626)	(1,290,183)
GROSS PROFIT	(197,114)	887,165
General and administrative expenses	(79,007)	(105,430)
Selling and distribution expenses	(13,182)	(31,738)
Other income	(130,591)	435
OPERATING INCOME	(419,894)	750,432
Exchange (loss)/income on foreign currency translation	(141,874)	77,543
Finance costs	(284,408)	(185,242)
Finance income	5,008	4,880
Contribution to Workers' Profit Participation and Welfare Funds	-	(27,316)
NET (LOSS)/PROFIT BEFORE TAX	(841,168)	620,297
Income tax	199,519	(203,286)
NET (LOSS)/PROFIT AFTER TAX	(641,649)	417,011
Earnings per share (Taka)	(11.05)	7.18

Finance Director

Managing Director

Consolidated Cash Flow Statement (Un-audited) For the period from 1 January to 31 March 2011

	Jan-Mar 2011 Taka '000	Jan-Mar 2010 Taka '000
Cash Flows From Operating Activities		
Cash received from customers	1,127,885	2,356,119
Payment for cost and expenses	(1,321,133)	(1,231,415)
Advance income tax by deduction	(32,469)	(15,418)
Interest paid	(279,760)	(245,382)
Other receipts	471	435
	(505,006)	864,339
Cash Flows From Investing Activities		
Acquisition of property, plant and equipment	(32,121)	(80,466)
Intangible assets	(45,167)	(7,034)
Disposal of property, plant and equipment	9	36
	(77,279)	(87,464)
Cash Flows From Financing Activities		
Long term debt	(554,661)	(839,513)
Bank overdrafts	1,857,390	(502,542)
Short term debt	(865,666)	652,853
	437,063	(689,202)
Net effect of foreign currency translation on cash and cash equivalents	215	3,357
Net cash flow for the Period	(145,007)	91,030
Cash and Cash Equivalents at Beginning of the Period	174,691	87,401
Cash and Cash Equivalents at End of the Period	29,684	178,431
	(145,007)	91,030

Finance Director

Managing Director

Consolidated Statement of Changes in Shareholders' Equity For the period from 1 January to 31 March 2011

	Jan-Mar 2011 in Taka'000					Jan-Mar 2010 in Taka'000				
	Share Capital	Accumulated Loss	Minority Interest	Foreign Currency Translation	Shareholders' Equity Parent Company	Share Capital	Accumulated Loss	Minority Interest	Foreign Currency Translation	Shareholders' Equity Parent Company
Balance as on 1 January	5,806,868	(3,174,697)	(81)	135,946	2,768,036	5,806,868	(1,536,278)	(68)	159,943	4,430,465
Net (Loss)/profit after tax for the period	-	(641,649)	9	(32,696)	(674,336)	-	417,011	8	19,068	436,087
Balance as at 31 March	5,806,868	(3,816,346)	(72)	103,250	2,093,700	5,806,868	(1,119,267)	(60)	179,011	4,866,552

Finance Director

Managing Director