

Lafarge Surma Cement Ltd.

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

3rd Quarter Financial Statements (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 30 September 2010


	30 Sep 2010 Taka '000	31 Dec 2009 Taka '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	12,688,295	13,036,126
Intangible assets	5,083	8,383
Investment in subsidiaries	519,892	519,893
Loan to subsidiary company	1,145,382	1,129,641
	14,358,652	14,694,043
CURRENT ASSETS		
Inventories	1,145,704	1,198,739
Trade receivables	137,571	388,088
Accrued interest	253,476	224,260
Advances, deposits and prepayments	565,485	437,412
Derivative instruments-assets	-	50
Cash and cash equivalents	41,793	70,039
	2,144,029	2,318,588
TOTAL ASSETS	16,502,681	17,012,631
LIABILITIES		
Share capital	5,806,868	5,806,868
Accumulated loss	(1,069,257)	(1,053,857)
SHAREHOLDERS' EQUITY	4,737,611	4,753,011
NON-CURRENT LIABILITIES		
Long-term debt	3,002,423	4,705,955
Deferred income tax liabilities	459,917	385,137
Contribution to employee benefits	48,914	43,901
	3,511,254	5,134,993
CURRENT LIABILITIES		
Trade payables	1,002,793	951,271
Other payables	302,352	489,635
Derivative instruments-liabilities	25,497	-
Current portion of long term debt	1,772,360	1,741,992
Bank overdrafts	481,734	675,096
Short-term debt	4,667,829	3,265,382
Current income tax liabilities	1,251	1,251
	8,253,816	7,124,627
TOTAL EQUITY AND LIABILITIES	16,502,681	17,012,631


Finance Director


Managing Director

Consolidated Balance Sheet (Un Audited) As at 30 September 2010

	30 Sep 2010 Taka '000	31 Dec 2009 Taka '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	14,366,802	14,672,246
Intangible assets	2,160,818	225,977
	16,527,620	14,898,223
CURRENT ASSETS		
Inventories	1,263,658	1,251,579
Trade receivables	137,571	388,088
Advances, deposits & prepayments	808,155	665,455
Derivative instruments-assets	-	869
Cash and cash equivalents	52,213	87,401
	2,261,597	2,393,392
TOTAL ASSETS	18,789,217	17,291,615
LIABILITIES		
Share capital	5,806,868	5,806,868
Accumulated loss	(1,604,342)	(1,536,346)
Foreign currency translation	171,660	159,943
SHAREHOLDERS' EQUITY- PARENT COMPANY	4,374,186	4,430,465
Share money deposits	439	417
EQUITY	4,374,625	4,430,882
NON-CURRENT LIABILITIES		
Long-term debt	4,626,546	4,705,955
Deferred income tax liabilities	459,917	385,137
Contribution to employee benefits	50,488	45,073
	5,136,951	5,136,165
CURRENT LIABILITIES		
Trade payables	1,190,312	1,180,470
Other payables	363,014	606,199
Derivative instruments-liabilities	25,497	1,117
Current portion of long term debt	1,772,360	1,741,992
Bank overdrafts	510,216	675,961
Short-term debt	5,414,991	3,517,578
Income tax payable	1,251	1,251
	9,277,641	7,724,568
TOTAL EQUITY AND LIABILITIES	18,789,217	17,291,615


Finance Director


Managing Director

Consolidated Income Statement (Un-audited) For the period from 1 January to 30 September 2010

	Jan-Sep 2010 Taka '000	Jan-Sep 2009 Taka '000	Jun-Sep 2010 Taka '000	Jun-Sep 2009 Taka '000
REVENUE	4,552,644	5,482,074	1,081,526	1,681,957
Cost of sales	(3,726,448)	(3,293,934)	(1,250,998)	(1,015,332)
GROSS PROFIT/(LOSS)	826,196	2,188,140	(169,472)	666,625
General and administrative expenses	(258,870)	(273,064)	(64,074)	(88,552)
Selling and distribution expenses	(75,879)	(82,607)	(15,292)	(28,326)
Other (expense) / income	(15,820)	-	(4,316)	-
OPERATING PROFIT	475,628	1,832,469	(253,154)	549,747
Exchange (loss)/gain on foreign currency transactions	57,760	(111,431)	(12,158)	(21,859)
Finance costs	(524,189)	(687,386)	(186,552)	(203,422)
Finance income	700	77,262	332	3,572
Contribution to Workers' Profit Participation and Welfare Funds	(3,125)	(39,357)	21,315	(11,706)
NET PROFIT/(LOSS) BEFORE TAX	6,773	1,071,557	(430,217)	316,332
Income tax expenses	(74,780)	(338,968)	126,531	(99,743)
NET PROFIT/(LOSS) AFTER TAX	(68,007)	732,589	(303,686)	216,589
Earnings per share (Taka)	(1.17)	12.62	5.23	3.73


Finance Director


Managing Director

Consolidated Cash Flow Statement (Un-audited) For the period from 1 January to 30 September 2010


	Jan-Sep 2010 Taka '000	Jan-Sep 2009 Taka '000
Cash Flows From Operating Activities		
Cash received from customers	4,740,427	5,889,198
Payment for cost and expenses	(3,714,559)	(3,086,235)
Advance income tax by deduction	(57,521)	(49,654)
Minimum Alternate Tax	(60,513)	-
Interest paid	(495,095)	(797,092)
Other receipts	11,314	901
	424,053	1,957,118
Cash Flows From Investing Activities		
Acquisition of property, plant and equipment	(135,111)	(89,965)
Intangible assets	(1,863,735)	(2,324)
Disposal of property, plant and equipment	36	1,262
	(1,998,810)	(91,027)
Cash Flows From Financing Activities		
Long term debt	(173,437)	(1,716,060)
Bank overdrafts	(166,733)	(1,287,893)
Short term debt	1,880,268	1,169,973
	1,540,098	(1,833,980)
Net effect of foreign currency translation on cash and cash equivalents	(529)	973
Net cash flow for the period	(35,188)	33,084
Cash and Cash Equivalents at Beginning of the Period	87,401	69,547
Cash and Cash Equivalents at End of the Period	52,213	102,631
	(35,188)	33,084



Finance Director


Managing Director

Income Statement (Un Audited) For the period from 1 January to 30 September 2010


	Jan-Sep 2010 Taka '000	Jan-Sep 2009 Taka '000	Jun-Sep 2010 Taka '000	Jun-Sep 2009 Taka '000
REVENUE	4,552,644	5,482,074	1,081,526	1,681,957
Cost of sales	(3,681,350)	(3,678,504)	(1,192,887)	(1,127,269)
GROSS PROFIT	871,294	1,803,570	(111,361)	554,688
General and administrative expenses	(258,871)	(273,064)	(64,074)	(88,552)
Selling and distribution expenses	(75,879)	(82,607)	(15,292)	(28,326)
Other income	11,587	-	4,160	-
OPERATING INCOME/(LOSS)	548,131	1,447,899	(186,567)	437,810
Exchange (loss)/gain on foreign currency transactions	(26,707)	(61,666)	(88,565)	(17,392)
Finance costs	(487,797)	(653,257)	(161,332)	(193,935)
Finance income	28,878	54,160	10,167	7,626
Contribution to Workers' Profit Participation and Welfare Funds	(3,125)	(39,357)	21,315	(11,706)
NET PROFIT/(LOSS) BEFORE TAX	59,380	747,779	(404,982)	222,403
Income tax	(74,780)	(338,359)	126,531	(99,134)
NET PROFIT/(LOSS) AFTER TAX	(15,400)	409,420	(278,451)	123,269
Earnings per share (Taka)	(0.27)	7.05	(4.80)	2.12

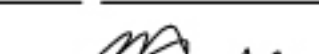

Finance Director


Managing Director

Cash Flow Statement (Un-audited) For the period from 1 January to 30 September 2010


	Jan-Sep 2010 Taka '000	Jan-Sep 2009 Taka '000
Cash Flows From Operating Activities		
Cash received from customers	4,740,427	5,889,198
Payment for cost and expenses	(3,595,436)	(3,417,008)
Advance income tax by deduction	(57,521)	(49,654)
Interest paid	(483,303)	(758,900)
Other receipts	11,314	735
	615,481	1,664,371
Cash Flows From Investing Activities		
Acquisition of property, plant and equipment	(113,474)	(71,678)
Disposal of property, plant and equipment	36	1,262
Received against loan to subsidiary company	-	77,595
Interest received from subsidiary company	-	83,050
	(113,438)	90,229
Cash Flows From Financing Activities		
Long term loan	(1,739,374)	(1,716,060)
Bank overdrafts	(193,362)	(1,102,912)
Short term loan	1,402,447	1,100,323
	(530,289)	(1,718,649)
Net Increase in Cash and Cash Equivalents	(28,246)	35,951
Cash and Cash Equivalents at Beginning of the Period	70,039	18,301
Cash and Cash Equivalents at End of Period	41,793	54,252
	(28,246)	35,951


Finance Director


Managing Director

Statement of Changes in Shareholders' Equity (Un Audited) For the period from 1 January to 30 September 2010

	Jan-Sep 2010 in Taka'000			Jan-Sep 2009 in Taka'000		
	Share Capital	Accumulated loss	Total	Share Capital	Accumulated loss	Total
Balance as on 1 January	5,806,868	(1,053,857)	4,753,011	5,806,868	(1,636,782)	4,170,086
Net income/ (loss) after tax for the period	-	(15,400)	(15,400)	-	409,420	409,420
Balance at end of the period	5,806,868	(1,069,257)	4,737,611	5,806,868	(1,227,362)	4,579,506



Finance Director


Managing Director

Consolidated Statement of Changes in Shareholders' Equity (Un Audited) For the period from 1 January to 30 September 2010

	Jan-Sep 2010 in Taka'000					Jan-Sep 2009 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	(1,536,278)	(68)	159,943	4,430,465	5,806,868	(2,531,882)	(34)	150,926	3,425,878
Net income/(loss) after tax for the period	-	(68,007)	11	11,717	(56,279)	-	732,589	2	4,581	737,172
Balance as at 30 Sep	5,806,868	(1,604,285)	(57)	171,660	4,374,186	5,806,868	(1,799,293)	(32)	155,507	4,163,050


Finance Director


Managing Director