

Lafarge Surma Cement Ltd.

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

3rd 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

Statement of Financial Position (Un-audited)

As at 30 September 2011

	30 Sep 2011 Taka '000	31 Dec 2010 Taka '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	12,268,068	12,629,748
Intangible assets	4,912	6,939
Investment in subsidiaries	519,893	519,893
Loan to subsidiary company	1,227,189	1,154,028
Deferred income tax assets	421,884	-
	14,441,946	14,310,608
CURRENT ASSETS		
Inventories	1,380,936	1,085,140
Trade receivables	300,891	133,171
Accrued interest	308,293	264,089
Advances, deposits & prepayments	692,582	601,012
Derivative instruments-assets	-	1,429
Cash and cash equivalents	60,076	163,248
	2,742,778	2,248,089
TOTAL ASSETS	17,184,724	16,558,697
LIABILITIES		
Share capital	5,806,868	5,806,868
Retained earnings	(2,942,942)	(1,577,824)
EQUITY	2,863,926	4,229,044
NON-CURRENT LIABILITIES		
Long-term debt	2,318,425	3,000,781
Deferred income tax liability	-	172,993
Contribution to employee benefits	67,186	52,982
Derivative instruments-liabilities	10,315	18,029
	2,395,926	3,244,785
CURRENT LIABILITIES		
Trade payables	1,756,235	1,318,338
Other payables	294,395	341,387
Derivative instruments-liabilities	6,061	-
Current portion of long term debt	2,148,752	1,780,227
Bank overdrafts	3,016,199	583,683
Short-term debt	4,655,319	5,059,982
Income tax payable	47,911	1,251
	11,924,872	9,084,868
TOTAL EQUITY AND LIABILITIES	17,184,724	16,558,697

Finance Director

Managing Director

Statement of Comprehensive Income (Un-audited)

For the period from 1 January to 30 September 2011

	Jan-Sep 2011 Taka '000	Jan-Sep 2010 Taka '000	Jul-Sep 2011 Taka '000	Jul-Sep 2010 Taka '000
REVENUE	3,584,854	4,552,644	1,230,248	1,081,526
Cost of sales	(3,895,450)	(3,681,350)	(1,226,055)	(1,192,887)
GROSS (LOSS)/PROFIT	(310,596)	871,294	4,193	(111,361)
General and administrative expenses	(245,469)	(258,871)	(84,288)	(64,075)
Selling and distribution expenses	(42,105)	(75,879)	(15,476)	(15,292)
Other (expenses)/income	(282,096)	11,587	(38,308)	4,160
OPERATING (LOSS)/INCOME	(880,266)	548,131	(133,879)	(186,568)
Exchange (loss)/income on foreign currency transactions	(280,194)	(26,707)	(39,158)	(88,565)
Finance costs	(772,273)	(462,300)	(304,168)	(156,957)
Finance income	29,713	28,878	6,374	10,167
Contribution to Workers' Profit Participation and Welfare Funds	-	(3,125)	-	21,315
(LOSS)/PROFIT BEFORE TAX	(1,903,020)	84,877	(470,831)	(400,608)
Income tax income/(expenses)	548,217	(74,780)	126,630	126,531
(LOSS)/PROFIT AFTER TAX	(1,354,803)	10,097	(344,201)	(274,077)
OTHER COMPREHENSIVE INCOME/(EXPENSES)				
Cash-flow hedge instrument	(10,315)	(25,497)	3,305	(4,375)
TOTAL COMPREHENSIVE LOSS	(1,365,118)	(15,400)	(340,896)	(278,452)
Basic earnings per share (Taka)	(23.33)	0.17	(5.93)	(4.72)
Diluted earnings per share (Taka)	(23.33)	0.17	(5.93)	(4.72)

Finance Director

Managing Director

Statement of Changes in Equity (Un-audited)

For the period from 1 January to 30 September 2011

Figures in Taka'000

	Share Capital	Retained Earnings	Total Equity
Balance as at 1 January 2010	5,806,868	(1,053,857)	4,753,011
Total comprehensive loss for the year	-	(523,967)	(1,662,403)
Balance as at 31 December 2010	5,806,868	(1,577,824)	4,229,044
Total comprehensive loss for the period	-	(1,365,118)	(1,365,118)
Balance as at 30 September 2011	5,806,868	(2,942,942)	2,863,926

Finance Director

Managing Director

Consolidated Statement of Financial Position (Un-audited)

As at 30 September 2011

	30 Sep 2011 Taka '000	31 Dec 2010 Taka '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	13,958,885	14,377,748
Intangible assets	1,276,054	1,219,460
Deferred income tax assets	421,884	-
	15,656,823	15,597,208
CURRENT ASSETS		
Inventories	1,391,949	1,146,423
Trade receivables	300,891	133,171
Advances, deposits & prepayments	1,092,442	861,882
Derivative instruments-assets	-	1,429
Cash and cash equivalents	127,295	174,691
	2,912,577	2,317,596
TOTAL ASSETS	18,569,400	17,914,804
LIABILITIES		
Share capital	5,806,868	5,806,868
Retained earnings	(5,255,433)	(3,174,778)
Foreign currency translation	191,265	135,946
SHAREHOLDERS' EQUITY- PARENT COMPANY	742,700	2,768,036
Share money deposits	432	443
EQUITY	743,132	2,768,479
NON-CURRENT LIABILITIES		
Long-term debt	3,757,671	4,713,556
Deferred income tax liability	-	172,993
Contribution to employee benefits	70,225	56,174
Derivative instruments-liabilities	10,315	18,029
	3,838,211	4,960,752
CURRENT LIABILITIES		
Trade payables	1,991,497	1,462,654
Other payables	329,520	390,035
Derivative instruments-liabilities	6,061	-
Current portion of long term debt	2,589,727	2,017,604
Bank overdrafts	3,029,921	633,261
Short-term debt	5,993,420	5,680,768
Income tax payable	47,911	1,251
	13,988,057	10,185,573
TOTAL EQUITY AND LIABILITIES	18,569,400	17,914,804

Finance Director

Managing Director

Statement of Cash Flows (Un-audited)

For the period from 1 January to 30 September 2011

	Jan-Sep 2011 Taka '000	Jan-Sep 2010 Taka '000
Cash Flows From Operating Activities		
Cash received from customers	3,415,448	4,740,427
Payment for cost and expenses	(3,995,957)	(3,595,436)
Payment of advance income tax by deduction	(102,030)	(57,521)
Interest paid	(779,789)	(483,303)
Other receipts	500	11,314
Net cash (used in)/generated by operating activities	(1,461,828)	615,481
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(18,304)	(113,474)
Payments for intangible assets	(525)	-
Proceeds from sale of property, plant and equipment	245	36
Net cash used in investing activities	(18,584)	(113,438)
Cash Flows From Financing Activities		
Long term debt	(590,856)	(1,739,374)
Bank overdrafts	2,432,516	(193,362)
Short term debt	(464,420)	1,402,447
Net cash generated by (used in) financing activities	1,377,240	(530,289)
Net decrease in cash and cash equivalents	(103,172)	(28,246)
Cash and Cash Equivalents at Beginning of the Period	163,248	70,039
Cash and Cash Equivalents at End of Period	60,076	41,793
	(103,172)	(28,246)

Finance Director

Managing Director

Consolidated Statement of Comprehensive Income (Un-audited)

For the period from 1 January to 30 September 2011

	Jan-Sep 2011 Taka '000	Jan-Sep 2010 Taka '000	Jul-Sep 2011 Taka '000	Jul-Sep 2010 Taka '000
REVENUE	3,584,854	4,552,644	1,230,248	1,081,526
Cost of sales	(4,096,502)	(3,726,448)	(1,290,014)	(1,250,998)
GROSS (LOSS)/PROFIT	(511,648)	826,196	(59,766)	(169,472)
General and administrative expenses	(245,469)	(258,871)	(84,288)	(64,074)
Selling and distribution expenses	(42,105)	(75,879)	(15,476)	(15,292)
Other (expenses)/income	(311,063)	(15,820)	(48,709)	(4,316)
OPERATING (LOSS)/INCOME	(1,110,285)	475,626	(208,239)	(253,154)
Exchange (loss)/income on foreign currency transactions	(496,236)	57,760	(258,255)	(12,158)
Finance costs	(1,012,040)	(498,692)	(398,229)	(182,177)
Finance income	9	700	(3,766)	332
Contribution to Workers' Profit Participation and Welfare Funds	-	(3,125)	-	21,315
(LOSS)/PROFIT BEFORE TAX	(2,618,552)	32,269	(868,489)	(425,842)
Income tax income/(expenses)	548,217	(74,780)	126,630	126,531
LOSS AFTER TAX	(2,070,335)	(42,511)	(741,859)	(299,311)
OTHER COMPREHENSIVE INCOME/(EXPENSES)				
Exchange differences on translating foreign operation	55,319	11,717	114,189	70,587
Non controlling interests- currency translation adjustment	(5)	11	(19)	(3)
Share money deposits- currency translation adjustment	(11)	22	(34)	20
Cash-flow hedge instrument	(10,315)	(25,497)	3,305	(4,375)
TOTAL COMPREHENSIVE LOSS	(2,025,347)	(56,258)	(624,418)	(233,082)
Basic earnings per share (Taka)	(35.65)	(0.73)	(12.78)	(5.15)
Diluted earnings per share (Taka)	(35.65)	(0.73)	(12.78)	(5.15)

Finance Director

Managing Director

Consolidated Statement of Cash Flows (Un-audited)

For the period from 1 January to 30 September 2011

	Jan-Sep 2011 Taka '000	Jan-Sep 2010 Taka '000
Cash Flows From Operating Activities		
Cash received from customers	3,415,448	4,740,427
Payment for cost and expenses	(4,366,040)	(3,714,559)
Payment of advance income tax by deduction	(102,030)	(57,521)
Payment of minimum alternate tax	-	(60,513)
Interest paid	(1,019,279)	(495,095)
Other receipts	500	11,314
Net cash (used in)/generated by operating activities	(2,071,401)	424,053
Cash Flows From Investing Activities		
Payments for property, plant and equipment	(69,406)	(135,111)
Payments for intangible assets	(105,104)	(1,863,735)
Proceeds from sale of property, plant and equipment	245	36
Net cash used in investing activities	(174,265)	(1,998,810)
Cash Flows From Financing Activities		
Long term debt	(605,667)	(173,437)
Bank overdrafts	2,399,001	(166,733)
Short term debt	400,912	1,880,268
Net cash generated by financing activities	2,194,246	1,540,098
Net effect of foreign currency translation on cash and cash equivalents	4,024	(529)
Net decrease in cash and cash equivalents	(47,396)	(35,188)
Cash and Cash Equivalents at Beginning of the Period	174,691	87,401
Cash and Cash Equivalents at End of Period	127,295	52,213
	(47,396)	(35,188)

Finance Director

Managing Director

Consolidated Statement of Changes in Equity (Un-audited)

For the period from 1 January to 30 September 2011

Figures in Taka'000

	Share Capital	Retained Earnings	Foreign Currency Translation	Non Controlling Interests	Equity for Parent Company	Share Money Deposits	Total Equity
Balance as at 1 January 2010	5,806,868	(1,536,278)	159,943	(68)	4,430,465	417	4,430,882
Total comprehensive (loss)/income for the year	-	(1,638,419)	(23,997)	(13)	(1,662,429)	26	(1,662,403)
Balance as at 31 December 2010	5,806,868	(3,174,697)	135,946	(81)	2,768,036	443	2,768,479
Total comprehensive (loss)/income for the period	-	(2,080,650)	55,319	(5)	(2,025,336)	(11)	(2,025,347)
Balance as at 30 September 2011	5,806,868	(5,255,347)	191,265	(86)	742,700	432	743,132

Finance Director

Managing Director