LafargeHolcim Bangladesh Limited

A company of H LafargeHolcim and C MOLLINS

3rd Quarter Consolidated Financial Statements-2017 (Un-audited)

Pursuant to the requirement of Regulations 17(3) of the Listing Regulations 2015 of Dhaka and Chittagong Stock Exchange Limited and Complying with Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 and Letter No. SEC/CFD/Misc./233/2004/615 dated February 02, 2010 of Bangladesh 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

insolidated Statement of Financial Position 30 September 2017	(Un-audited)				Consolidated Stateme for the period ended 3	ent of Profit of	r Loss (Ur r 2017	n-audited)	5		
SSETS	NOTE	30 Sep 201 Taka'00		Dec 2016 Taka'000		NO			Jan-Sep 2016		
ON-CURRENT ASSETS operty, plant and equipment	5	11,421,5		11,776,095	REVENUE	1		7,486,718	Taka '000 7,432,916		
angible assets	6	838,49	97	828,230	Cost of sales	1	в	(5,735,193)	(4,964,732)	(1,976,022	(1,580,656)
her receivables	9	145,32 12,405,37		137,043 2.741,368	GROSS PROFIT			(751,525	2,468,184		
UDDENT ASSETS					General and administrative Sales and marketing expe			(754,061) (150,865)	(508,166) (129,344)		
URRENT ASSETS ventories	7	1,666,7		1,245,198	Other operating income			3,617	4,726		
ade receivables her receivables	8 9	1,979,48 1,848,3		1,361677 1,933,076	OPERATING PROFIT Finance cost	Г 2		850,216 (31,701)	1,835,400 (60,354)		
erivative instruments		12,13	32	838	Finance income	2		101,553	105,178		
ash and cash equivalents	10	2,469,00		3,697,428 8,238,217	PROFIT BEFORE TA			920,068	1,880,224		
OTAL ASSETS		20,381,17		0,979,585	Income tax PROFIT FOR THE PI		2	(485,428) 434,640	(563,377) 1,316,847		
QUITY & LIABILITIES								404,010	1,010,041		
nare capital		11,613,73 2,761,6		11,613,735 3,488,351	l Decisional and the second	T-1)					
etained earnings her components of equity		(80,29	93)	(82,748)	Basic earnings per share (Taka) 2	3	0.37	1.13	0.18	0.32
preign currency translation		464,49	91	353,123	The accompanying I	lotes 1 to 26	form an i	ntegral pa	rt of these ir	nterim financial	
HAREHOLDERS' EQUITY- PAREN	T COMPANY	14,759,55	50 1	5,372,461	J. alp	2	m			Martin	G. Mah
on-controlling interests			6	(23)	Company Secretary	Chief Fin	ancial Office	r Direct	or Chief	Executive Officer	Chairman
-		44 750 55									
QUITY		14,759,55	56 1	5,372,438	LAFARGEHOLCI						
ON-CURRENT LIABILITIES		0.050.00	05	0.070.004	Consolidated Stateme	nt of Cash F	lows (Un-		,		
eferred tax liability nployee benefits	11	2,252,80 64,40		2,276,021 64,464	for the period ended 3	0 Septembe	r 2017				
ovisions	12	34,3		30,187					-		
		2,351,67	77	2,370,672	1					Sep 2017 J Taka'000	an-Sep 201 Taka'00
	10				Cash Flows Fron	Operatir	a Activi	ities			
ade payables her payables	13 14	2,446,4 321,50		2,332,586 378,489	Cash receipts from cu	stomers	•			6,634,712	6,951,12
erivative instruments		-		1,103	Cash paid to suppliers Cash generated in ope		ees			(6,279,938) 354,774	<u>(5,930,898</u> 1,020,23
nort-term debt	15	501,94 3.269.93	39	524,297 3,236,475	Income taxes paid	100113				(277,910)	(250,253
OTAL EQUITY AND LIABILITIES		20,381,17		0,979,585	Other receipts					3,604	4,39
The accompanying Notes 1 to 26 form an	integral part of t	hese interim fin:	ancial st	atements	Net cash generat	ed by ope	rating a	ctivities		80,468	774,37
	niogra part or a			K. N.L.	Cash Flows From	Invoctin		line			
Company Secretary Chief Financial Officer	Director	Chief Executive		Chairman	Payments for property	, plant and e		1165		(162,845)	(348,656
					Payments for intangib	e assets		uinmont		- 54	(15,707) 42
FARGEHOLCIM BANGLADESH L					Proceeds from sale of Interest income on bar		init and eq	uipment		84,627	105,10
nsolidated Statement of Comprehensive Inco	ome (Un-audited)				" National used in					(78,164)	(258,840
the period ended 30 September, 2017	Jan-Sep 2017 . Taka'000	Jan-Sep 2016 Jul Taka '000 T	l-Sep 2017 'aka '000	⁷ Jun-Sep 2016 Taka '000	Net cash used in	investing	activiti	es			
OFIT FOR THE PERIOD	434,640	1,316,847	209,045		Cash Flows Fron		g Activ	ities		(54.004)	(400.000
s that may be reclassified subsequently to profit or loss					 Decrease in short tern Payment of interest ar 		ice costs			(54,291) (27,616)	(400,980 (44,550
flow hedge instruments ange differences on translating foreign operation	2,455 111,368	4,993 1,389	4 (29,668)		Dividend payment					(1,152,674)	(569,081
controlling interests- currency translation adjustment IER COMPREHENSIVE INCOME FOR THE PERIOD	29	(2)	(10)	10	Net cash used in	financing	activiti	es	(1	,234,581)	(1,014,611
	113,852	6,380	(29,674)	27,836	Net effect of foreign cu	irrency trans	lation on o	ash and		0.047	(100
AL COMPREHENSIVE INCOME FOR THE PERIOD	548,492	1,323,227	179,371	405,178	cash equivalents Net decrease in c	ash and	ash eq	uivalent	s <u>(1</u>	3,917 ,228,360)	(139 (499,218
lable to: ners of the parent Company	548,463 29	1,323,229 (2)	179,381 (10)		Cash and Cash Equilier Cash and Cash Equilier Cash and Cash Equilier					3,697,428	3,249,84
controlling interests	548,492	1,323,227	179,371		, , , , , , , , , , , , , , , , , , ,				_	,,	
-				V a		0				4-	&. Auch
N. M. Com	ect1	M		G. Nul	Company Secretary		ancial Office	r Direc	tor Chief	Executive Officer	նլ./չով Chairman
Company Secretary Chief Financial Officer	Director	Chief Executive Of		Chairman	"						
AFARGEHOLCIM BANGLADESH onsolidated Statement of Changes in Equity the period ended 30 September 2017	(Un-audited)				Other	For	ian	Fauity f		(All figures an	e in Tk. '000)
the period ended 30 September 2017	, ,	Shar	re	Retained	Other components	Fore curre	nčy	Equity f pare	nt	Non controlling	Total
		capita	al	earnings	of equity	transla	tion	compa	ny	interests	equity
alance at 1 January 2016	oriod	11,613,7	'35	2,423,190	(52,995)	377		14,361,4		39	14,361,499
otal comprehensive income for the pe inal dividend 2015	DOI19		-	1,316,847 (580,687)	4,993	1	389	1,323,2 (580,6		(2)	1,323,227 (580,687)
alance at 30 September 201	6	11,613,73	35	3,159,350	(48,002)	378,	919	15,104,0		37	15,104,039
alance at 1 January 2017		11,613,7		3,488,351	(82,748)	353	123	15,372,4	61	(23)	15,372,438
otal comprehensive income for the pe inal Dividend for 2016	DOI19		-	434,640 (580,687)	2,455	111	368	548,4 (580,6		29	548,492 (580,687)
iterim dividend			2	(580,687)	-		-	(580,6		-	(580,687)
alance at 30 September 201	7	11,613,73	35	2,761,617	(80,293)	464,	191	14,759,5		6	14,759,556
		J. Alt		6	m			1	the second		K. Nah
		Company Secre	etary		inancial Officer	Director		Chief Ex	ecutive Officer		Chairman
AFARGEHOLCIM BANGLADESH otes to the Condensed Consolidated Finan the period ended 30 September 2017 Background and Introducti Formation and legal status LafargeHolcim Bangladesh I Company ¹) was incorporated on 11 Bangladesh under the Companis 2017 the Registrar of Joint Stock Cor name change to "LafargeHolcim Ban subsequently been converted into a pu Initial Public Offering of shares in Nove shares have since been listed and are I Presently the Company has two subsi	cial Statements (ion imited (LHE November 19 1994 having its I y was "Lafarge S upanies and Firm gladesh Limited ublic limited com amber 2003 whito diaries in India.	BL) - (hereinaf 97 as a priva egistered office surma Cement L so f Banglades " of the Compa pany on 20 Jan hwas fully sub: hwas fully sub:	te limite in Dhak imited". sh (RJSC any. The nuary 20 scribed a agong St tives of	ed company in a. At the time of On 07 February C) approved the e Company has 03 and went for and issued. The ock Exchanges the subsidiaries	a Basis of pr The consolidat Bangladesh Ac Significant The financial si	has establis acturing plar the basic ray rder belt cor s engaged ir reparatio red interim counting Sta counting Sta atements ha	hed the c t at Chha v materials veyor link manufact n inancial s ndard 34 ting Po	tak under s limestone s the quarr turing and tatements Interim Fin	Sunamganj from its ow y with the co marketing o have been ancial Repo	i district. The c n quarry in Meg ement plant for f cement and c f prepared in a rting.	ompany extrac halaya. A 17-ki transportation inker in the loc accordance wi

_		30 Sep 2017	31 Dec 2016			30 June 2017	31 Dec 2016
5	Deferred tax Property, Plant and Equipment		Taka'000	13.2	Trademark license fee The amount is equally payable to Lafarge S.A. and Cerr license fee (1 percent of annual net turnover of the com	Taka'000 ientos Molins for trad	Taka'000 demark
	COST At January 1	17,315,000	16,817,164		Trademark License Agreement).		
	Reclassification Additions	139,703	(12,678) 585,103	14	Other Payables Payables to supplier of property, plant & equipment & ot	hers 86,093	69.147
	Disposals Translation adjustment	(121,280) 100,940	(38,841) (35,748)		Payable to employees Income tax & VAT deducted at source	77,683	170,998
	At September 30/December 31	17,434,363	17,315,000		Dividend payable	107,424 50,369	96,675 41,669
	DEPRECIATION At January	5,538,905	4,979,667			204 500	270 400
	Disposals	(116) 439,957	(12,163) 581,888			321,569	378,489
	Change for the period Translation adjustment	34,065	(10,487)	15	Short Term Debt Bank overdraft facilities	80,370	55,800
	At September 30/December 31	6,012,811	5,538,905		Short term credit facilities	421,585	468,497
	CARRYING AMOUNT	11,421,552	11,776,095			501,955	524,297
	*Construction in progress of property, plant and equipment relati has been reclassified and capitalized as intangible assets.	ed to software of BDT 12,6	678 (in thousands),	16	Current Tax Liabilities Balance at 1 January	1,051,004	304.624
	Intangible Assets COST				Provision for the period Translation adjustment	522,902 (50,127)	747,876
	At January 1	1,140,128	1,129,622 12,678		At September 30/December 31	1,523,779	1,051,004
	Reclassification Additions	(67,060)	18,451	17	Revenue Sale of gray cement	Jan-Sep, 2017	Jan-Sep, 2016
	Disposals Translation adjustment	<u>75,003</u> 1,148,071	(20,623) 1,140,128		Sale of cement clinker	5,693,398 1,793,320	6,359,974 1,072,942
	At September 30/December 31	1,110,011	1,140,120			7,486,718	7,432,916
	AMORTIZATION At January	311,898	267,536	18	Cost of Sales		
	Disposals Change for the period	(65,843) 49,288	48,601		Manufacturing cost Freight cost to customers	4,428,636 456,813	3,873,524 394,064
	Translation adjustment At September 30/December 31	<u> </u>	<u>(4,239)</u> 311,898		Depot operating and transportation costs Inventory movement	622,631 (313,350)	589,419 (337,441)
	CARRYING AMOUNT	838,497	828,230		Depreciation and amortization	540,463	445,166
	Inventories					5.735.193	4.964.732
	Raw materials	264,669 434,344	209,410 104,117	19	General and Administrative Expenses	5,735,193	4,304,732
	Semi-finished and finished products Fuels	10,370 942,542	3,148 925,375	19			
	Parts and supplies Packing materials	14,831	3,148		Salary, allowances and benefits General assistance fee	222,419 64,272	149,682 69,643
		1,666,756	1,245,198		Trademark license fee Other office expenses	64,272 344,131	69,643 125,431
	Trade Receivables	4 005 700	4 070 004		Administrative depreciation and amortization Contribution to Workers' Profit Participation and welfare	28,243 Fund 30,724	26,389 67,378
	Trade receivables Valuation allowance	1,995,768 (16,281)	1,373,631 (11,954)			754,061	508,166
		1,979,487	1,361,677	20	Sales and Marketing Expenses		
	Other Receivables				Salary, allowances and benefits Advertisement	100,069 13,543	66,609 36,026
	Contractors, consultants, suppliers and others	464,946 34,311	301,943 59,207		Other office expenses	37,253	26,709
	Employees Prepaid expenses	100,756 231,677	80,487 238,810			150,865	129,344
	VAT current account Advance income tax- net of tax provision	1,116,751 36,435	1,342,808 25,947	21	Finance Costs and Income		
	Other receivables Accrued interest	8,804	20,917		Interest on short term debt Other finance costs	18,163 4.085	25,632 6,896
		1,993,680	2,070,119		Bank charges and commission Exchange loss	9,453	9,652 18,174
	Current portion	1,848,358	1,933,076		0		10,111
	Non-current portion	145,322	137,043		Finance costs	31,701	60,354
0	Cash and Cash Equivalents Cash in hand	2,168	497		Interest income on Bank Deposits Other finance income	86,560 5,093	95,568 9.610
	Cash at banks	2,466,900	3,696,931		Exchange gain	9,900	-
		2,469,068	3,697,428		Finance income	101,553	105,178
1	Deferred Tax Liabilities	to defense dites die billi			Net finance (income)/costs	(69,852)	(44,824)
	The tax effects of temporary differences that resulted Deferred tax liabilities	in deferred tax liabilitie 2,278,176	es and assets. 2,305,716	22	Income Tax		
	Deferred tax assets Net deferred tax liabilities	(25,311) 2,252,865	(29,695) 2,276,021		Current income tax expenses Deferred income tax	522,902 (37,474)	562,167 1,210
		_,,,	<u>2,210,021</u>			485,428	563,377
2	Provisions			23	Earnings Per Share		
	Site restoration provisions				The computation of basic earnings per share for the per as follows:	iods ended 2017 and	d 2016 are
	Balance at 1 January	30,187	27,787		NUMERATOR (Thousand Taka)		
	Provision for the period Translation adjustment	2,339 1,825	2,968 (568)		INCOME FOR THE PERIOD- ATTRIBUTABLE TO THE OWNERS OF		
		34,351	30,187		THE PARENT COMPANY	434,640	1,316,84
					DENOMINATOR (Thousands of Shar WEIGHTED AVERAGE NUMBER OF SHARES OUTSTAN		1 1 164 27
	At September 30/December 31 The Company is legally required to restore a quarry si	ite the estimated cos	ts of site		BASIC EARNINGS PER SHARE Taka	0.37	1,161,374 1.13
	restoration are accrued and recognized to the cost of	sales, on the basis of			DILUTED EARNINGS PER SHARE Taka	0.37	1.13
	closure plan submitted to Indian Bureau of Mines (IBM	п).		24	Related Party Transactions	cont rolated	noodi
	Trade Payables				Except for the regular transactions, there were no signif during the period.	cant related party tra	AUSACTIONS
		1,825,438	1,605,957	25	Commitments and Contingencies		
•	Pavable for goods & services	267,631 267,631	203,359 203,359	-	There were no significant changes in the commitments a Company during the period.	and contingencies m Jan-Sep 2017	
5	Payable for goods & services General assistance fee (Note- 13.1)	201,001	319,911	26	Comparative Information of the Sharehold	ers* Taka	Tak
3		85,715	515,511		Net Asset Value (NAV) Per Share	12.71	13.0
\$	General assistance fee (Note- 13.1) Trademark license fee (Note- 13.2)		2,332,586		Earning Per Share (EPS)	0.37	1.1
	General assistance fee (Note- 13.1) Trademark license fee (Note- 13.2) Advances paid by customers	85,715			Net Operating Cash Flow Per Share (NOCFPS)	0.37 0.07	0.6
	General assistance fee (Note- 13.1) Trademark license fee (Note- 13.2) Advances paid by customers General assistance fee The amount is payable to Lafarge S.A. and Cementos	85,715 2,446,415 s Molins for general as	2,332,586		Net Operating Cash Flow Per Share (NOCFPS) Profit for the period	0.37 0.07 434,640,000	1.1 0.6 1,316,847,00 due to decline
	General assistance fee (Note- 13.1) Trademark license fee (Note- 13.2) Advances paid by customers General assistance fee The amount is payable to Lafarge S.A. and Cementos (1 percent of annual net turnover of the company in a	85,715 2,446,415 s Molins for general as	2,332,586		Net Operating Cash Flow Per Share (NOCFPS) Profit for the period *For the period January to September 2017, EPS declined cement sales, revenue, increase of natural gas price, raw ma	0.37 0.07 434,640,000 over previous period, terial costs, impairmen	0.6 1,316,847,00 due to decline at of project cost
	General assistance fee (Note- 13.1) Trademark license fee (Note- 13.2) Advances paid by customers General assistance fee The amount is payable to Lafarge S.A. and Cementos	85,715 2,446,415 s Molins for general as	2,332,586		Net Operating Cash Flow Per Share (NOCFPS) Profit for the period *For the period January to September 2017, EPS declined cement sales, revenue, increase of natural gas price, raw me low demand in our home market arising out of fall in remitt declined owing to sustained pressure from grinder to pu	0.37 0.07 434,640,000 over previous period, terial costs, impairmen inces. On the price fro ish volumes and gain	0.6 1,316,847,00 due to decline ht of project cost nt, cement price market share
3	General assistance fee (Note- 13.1) Trademark license fee (Note- 13.2) Advances paid by customers General assistance fee The amount is payable to Lafarge S.A. and Cementos (1 percent of annual net turnover of the company in a	85,715 2,446,415 s Molins for general as	2,332,586		Net Operating Cash Flow Per Share (NOCFPS) Profit for the period "For the period January to September 2017, EPS declined cement sales, revenue, increase of natural gas price, raw ma low demand in our home market arising out of fall in remitte	0.37 0.07 434,640,000 over previous period, terial costs, impairmen inces. On the price fro ish volumes and gain	0.6 1,316,847,00 due to decline ht of project cost nt, cement price market share

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